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LEGISLATIVE HISTORY

Public Law 132--81st Congress

Chapter 255--1st Session

S. 55

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EDEN PROJECT, WYOMING. Public Law 132 authorizes the Interior Department to complete construction of the irrigation features of the Eden Project, Wyoming. Authorizes the Secretary of Agriculture to complete the land development and settlement features: Providing that the total reimbursable cost of the land development and settlement features shall be not less than \$373,000 for the project of twenty thousand irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

INDEX AND SUMMARY OF HISTORY ON S. 55

January 5, 1949	S. 55 was introduced by Senator O'Mahoney and was referred to the Senate Committee on Interior and Insular Affairs. Print of the bill as introduced.
March 24, 1949	Print of an amendment proposed by Senator Butler.
April 8, 1949	Hearings: Senate, S. 55.
April 27, 1949	Senate Committee reported S. 55 with amendments. Senate Report 308. Print of the bill as reported.
May 6, 1949	Senate discussed and passed S. 55 as reported.
May 9, 1949	Print of S. 55 as referred to the House Committee on Public Lands.
May 27, 1949	House Committee reported S. 55 without amendment. House Report 691. Print of the bill as reported.
June 20, 1949	House discussed and passed S. 55 as reported.
June 28, 1949	Approved. Public Law 132.









81ST CONGRESS  
1ST SESSION

# S. 55

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## IN THE SENATE OF THE UNITED STATES

JANUARY 5, 1949

Mr. O'MAHONEY (for himself and Mr. HUNT) introduced the following bill;  
which was read twice and referred to the Committee on Interior and  
Insular Affairs

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## A BILL

To authorize completion of construction and development of the  
Eden project, Wyoming.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the Secretary of the Interior is authorized to complete  
4       the construction, including any necessary preconstruction  
5       surveys and investigations, of the irrigation features of the  
6       Eden project, Wyoming, as approved by the President on  
7       September 18, 1940 (Senate Document Numbered 18,  
8       Seventy-seventh Congress, first session (1941), page 29),  
9       with such modification in physical features as the Secretary  
10      of the Interior may find will result in greater engineering

1 and economic feasibility: *Provided*, That the total reim-  
2 bursable costs of the irrigation features of the project as fixed  
3 in the finding of feasibility approved by the President on  
4 September 18, 1940, shall be \$1,500,000 for the project of  
5 twenty thousand irrigable acres, with proportional adjust-  
6 ment based on the actual irrigable area as determined and  
7 announced by the Secretary of the Interior upon completion  
8 of the project, which amount shall be reimbursable in not to  
9 exceed sixty years: *And provided further*, That provision  
10 for the recovery of the reimbursable construction costs of  
11 the irrigation features of the project and the operation and  
12 maintenance thereof shall be made by the Secretary of the  
13 Interior.

14 SEC. 2. That the Secretary of Agriculture is authorized  
15 to complete the land development and settlement features of  
16 the project in accordance with the general plan approved by  
17 the President on September 18, 1940, including the ac-  
18 quisition of such lands, or interests in lands, as may be nec-  
19 essary, and the extension of technical advice and assistance  
20 to settlers in matters of farm practice, soil conservation, and  
21 efficient land use: *Provided, however*, That all expenditures  
22 in the development and settlement of the project lands may  
23 be excluded from the costs in determining the amounts re-  
24 quired to be reimbursed, to the extent the Secretary of Ag-

1 riculture determines it necessary to keep reimbursable costs  
2 with the ability of the water users to repay.

3 SEC. 3. To carry out the purposes of this Act, the Sec-  
4 retary of the Interior and the Secretary of Agriculture are  
5 hereby authorized to allot any moneys available from ap-  
6 propriations heretofore made to the Department of the In-  
7 terior and the Department of Agriculture, respectively, for  
8 "water conservation and utility projects" and "water con-  
9 servation and utilization projects", and there is hereby au-  
10 thorized to be appropriated, out of any money in the Treas-  
11 ury not otherwise appropriated, to the Department of the  
12 Interior and the Department of Agriculture, respectively,  
13 such sums of money as may be necessary to complete the  
14 project.

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# A BILL

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To authorize completion of construction and development of the Eden project, Wyoming.

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By Mr. O'MAHONEY and Mr. HUNT

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JANUARY 5, 1949

Read twice and referred to the Committee on Interior and Insular Affairs







81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 55

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## IN THE SENATE OF THE UNITED STATES

MARCH 24 (legislative day, MARCH 18), 1949

Referred to the Committee on Interior and Insular Affairs and ordered to be printed

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## AMENDMENTS

Intended to be proposed by Mr. BUTLER to the bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming, viz: At the end of the bill add the following new section:

1        SEC. 4. Section 9 of the Reclamation Project Act of  
2        1939 is amended by adding at the end thereof a new sub-  
3        section to read as follows:

4        “(f) This subsection shall be applicable only with  
5        respect to water furnished or delivered in connection with  
6        new projects, new divisions of projects, or supplemental  
7        works on projects included within the general comprehensive  
8        plan, as heretofore or hereafter modified, for flood control  
9        and other purposes in the Missouri River Basin, which was

1 approved by the Act of June 28, 1938 (52 Stat. 1218).  
2 Such water shall be furnished for municipal water supply  
3 or miscellaneous purposes, or delivered for the irrigation  
4 of lands, only pursuant to repayment contracts as provided  
5 for by clause (1) of subsection (c) or by subsection (d).  
6 Such contracts shall, however, provide for repayment over  
7 a period which may exceed forty, but shall not exceed sixty,  
8 years from the year in which water is first delivered to the  
9 contracting party in the case of water other than for irri-  
10 gation, or to the irrigation block in the case of water for  
11 irrigation. Only such part of the construction costs (includ-  
12 ing construction costs of reservoirs, canals, and necessary  
13 distribution systems) as are within the ability of the water  
14 users to pay within the prescribed maximum period shall  
15 be assessed against the water users and included in the  
16 repayment obligations of such contracts."

Amend the title so as to read: "A bill to authorize completion of construction and development of the Eden project, Wyoming, to require that water be delivered from Missouri River Basin projects only pursuant to repayment contracts, and to provide for a sixty-year repayment period."





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## AMENDMENTS

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Intended to be proposed by Mr. BUTLER to the bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming.

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МАРСОН 24 (legislative day, МАРСОН 18), 1949  
Referred to the Committee on Interior and Insular  
Affairs and ordered to be printed





# EDEN PROJECT, WYOMING

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## HEARING

BEFORE THE

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

UNITED STATES SENATE

EIGHTY-FIRST CONGRESS

FIRST SESSION

ON

### S. 55

A BILL TO AUTHORIZE COMPLETION OF CON-  
STRUCTION AND DEVELOPMENT OF  
THE EDEN PROJECT, WYOMING

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APRIL 8, 1949

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Printed for the use of the Committee on Interior and Insular Affairs



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1949

## COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

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## EDEN PROJECT, WYOMING

FRIDAY, APRIL 8, 1949

UNITED STATES SENATE,  
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,  
Washington, D. C.

The committee met, pursuant to notice, at 10:15 a. m., in room 224, Senate Office Building, Senator Joseph C. O'Mahoney (chairman) presiding.

Present: Senators O'Mahoney (chairman), McFarland, Downey, Anderson, Miller, Kerr, Watkins, and Ecton.

Also present: Senator Hunt.

The CHAIRMAN. The hearing will come to order, please.

This session has been called for the purpose of considering S. 55, a bill which was introduced on January 5 by my colleague, Senator Hunt, and myself, to authorize the completion of construction and development of the Eden project at home—in Wyoming. I said "at home" because this is in fact a rehabilitation and recovery program here at home.

It provides for the completion of a work-facilities project which was started before the war under the Wheeler-Case Act to provide a more complete water system for a project which had been started in Wyoming many years before. It was carried on, as I say, under the Wheeler-Case Act. That provided for the utilization of WPA labor.

The war came along before it could be completed. WPA labor vanished from the scene and the War Production Board also decreed the end of supply for materials, so that the work had to be abandoned.

There were several other projects in the same status like the Mancos project in Colorado, and the Angostura project in South Dakota. Since the cessation of hostilities each of these other projects has been completed, and there remains only the Eden Valley project.

Senator KERR. An inquiry off the record, Mr. Chairman.

The CHAIRMAN. Yes, of course.

(Discussion off the record.)

The CHAIRMAN. I was about to say that favorable reports have been received from both the Department of Agriculture and the Department of the Interior. The bill, and the two reports, will be made a part of the record at this point.

(The bill and reports referred to above are as follows:)

[S. 55, 81st Cong., 1st sess.]

A BILL To authorize completion of construction and development of the Eden project, Wyoming

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to complete the construction, including any necessary preconstruction surveys and investigations, of the irrigation features of the Eden project, Wyoming, as ap-*

proved by the President on September 18, 1940 (Senate Document Numbered 18, Seventy-seventh Congress, first session (1941), page 29), with such modification in physical features as the Secretary of the Interior may find will result in greater engineering and economic feasibility: *Provided*, That the total reimbursable costs of the irrigation features of the project as fixed in the finding of feasibility approved by the President on September 18, 1940, shall be \$1,500,000 for the project of twenty thousand irrigable acres, with proportional adjustment based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, which amount shall be reimbursable in not to exceed sixty years: *And provided further*, That provision for the recovery of the reimbursable construction costs of the irrigation features of the project and the operation and maintenance thereof shall be made by the Secretary of the Interior.

SEC. 2. That the Secretary of Agriculture is authorized to complete the land development and settlement features of the project in accordance with the general plan approved by the President on September 18, 1940, including the acquisition of such lands, or interests in lands, as may be necessary, and the extension of technical advice and assistance to settlers in matters of farm practice, soil conservation, and efficient land use: *Provided, however*, That all expenditures in the development and settlement of the project lands may be excluded from the costs in determining the amounts required to be reimbursed, to the extent the Secretary of Agriculture determines it necessary to keep reimbursable costs with the ability of the water users to repay.

SEC. 3. To carry out the purposes of this Act, the Secretary of the Interior and the Secretary of Agriculture are hereby authorized to allot any moneys available from appropriations heretofore made to the Department of the Interior and the Department of Agriculture, respectively, for "water conservation and utility projects" and "water conservation and utilization projects", and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Department of the Interior and the Department of Agriculture, respectively, such sums of money as may be necessary to complete the project.

DEPARTMENT OF AGRICULTURE,  
Washington, February 28, 1949.

HON. JOSEPH C. O'MAHONEY,  
*Chairman, Committee on Interior and Insular Affairs,*  
*United States Senate.*

DEAR SENATOR O'MAHONEY: This is in reply to your request of January 26 for a report on S. 55, a bill to authorize completion of construction and development of the Eden project, Wyoming. S. 55, in sections 1 and 2 deals separately with authorities granted the Secretaries of Interior and Agriculture for completing the Eden project. This report will be confined to section 2, which relates to this Department. Section 2 authorizes the Secretary of Agriculture to complete the land development and settlement features of the Eden irrigation project in accordance with the general plan approved by the President on September 18, 1940; and in determining the amount to be repaid by project occupants, to exclude expenditures for such land development and settlement features to the extent necessary to keep reimbursable costs within the water users' ability to repay.

The water conservation and utilization legislation under which construction of this project was originally authorized and initiated (act of May 10, 1939, 53 Stat. 685,719), contemplated participation by the Works Projects Administration or Civilian Conservation Corps to meet that portion of project costs which was considered beyond the repayment ability of project settlers. Prosecution of the recent war forced the discontinuance of construction of the major irrigation features of the project in December 1942, and limited the work of this Department to those activities which would make an immediate contribution to the production of needed food supplies. The Department of Agriculture has under its control all of the new lands proposed for irrigation in this project, but completion of its part of the project as originally approved is impossible due to lack of authorization to treat as nonreimbursable those costs which are above the ability of the project occupants to repay. S. 55 authorizes expenditure of funds necessary to complete the project and the declaring as nonreimbursable that portion of such expenditures which exceed the water users' ability to repay.

The provision of S. 55 which leaves the determination of reimbursability of land development and settlement expenditures to the Secretary of Agriculture

appears desirable in view of the uncertainty as to the total acreage which will be brought under irrigation. This provision also makes it possible to consider significant changes in agricultural prices and related conditions in projecting an estimate of agricultural income during the life of repayment contracts and in the establishment of the sale price of farm units.

S. 55 would place responsibility for recovery of the reimbursable construction costs of the irrigation features of the project, and the maintenance thereof, in the Secretary of the Interior although this responsibility was originally assigned to the Secretary of Agriculture. The provision in the bill is in keeping with a general agreement between the Departments of Agriculture and Interior with respect to other projects and is considered advisable in this instance.

The preparation of the new lands for irrigation, their subdivision into economic farm units, and the settlement thereon of qualified farm families is dependent upon completion of construction of the major irrigation features of the project provided for in section 1 of the bill.

It is suggested that the first word in line 2 on page 3 of the bill be changed to read "within".

The \$425,000 development and settlement program originally authorized by the President in 1940 involved an allocation of \$200,000 from funds made available to the President for water conservation and utilization projects, and an anticipated participation by the Work Projects Administration or Civilian Conservation Corps, with an estimated value of \$225,000. Because of the war emergency the actual construction of these latter agencies was limited to an estimated \$5,061, and \$45,405 of the \$200,000 allocation was rescinded and transferred for use on another project where a greater increase in food production was possible. It is now estimated that completion of the project will require an expenditure of approximately \$1,375,000 in addition to the \$154,595 already obligated or remaining available for obligation. The net cost, however, is estimated to be \$125,000 less than the total amount indicated by virtue of the estimated salvage value of heavy equipment and temporary housing facilities which would be available for sale upon completion of the project. The increased amount is required to cover (a) on the basis of present prices, the work which originally was to have been done by the Work Projects Administration or Civilian Conservation Corps; (b) on the basis of present prices, the work which was to have been accomplished with the funds transferred; (c) to meet the general increase in cost of labor, materials, and supplies which has taken place since 1940, and (d) to comply with the large number of urgent requests for leveling of private land not contemplated in the original estimate but which will make more effective use of the available water supply.

This Department recommends that the bill be passed.

In view of the time limitation, we have not obtained advice from the Bureau of the Budget as to the relationship of this proposed legislation to the program of the President.

Sincerely,

CHARLES F. BRANNAN, *Secretary.*

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DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
Washington 25, D. C., February 21, 1949.

Hon. Joseph C. O'MAHONEY,

*Chairman, Committee on Interior and Insular Affairs,*

*United States Senate.*

MY DEAR SENATOR O'MAHONEY: I am glad to comply with the request of the Senate Committee on Interior and Insular Affairs for an expression of our views regarding S. 55, a bill to authorize completion of construction and development of the Eden project, Wyoming.

We recommend enactment of the proposed legislation.

The Eden project was approved by the President on September 18, 1940, as a Great Plains project under the water-conservation provision of the Interior Department Appropriation Act of 1940 (53 Stat. 685) which provided funds for the construction of "water conservation and utilization projects \* \* \* in the Great Plains and arid and semiarid areas of the United States \* \* \*."

As authorized by the President, the project consisted of the construction of irrigation facilities to serve (1) approximately 9,000 acres of privately owned land at present irrigated but in need of drainage and improved storage and water supply facilities; (2) approximately 1,000 acres in private ownership that is



irrigable but not at present irrigated; and (3) approximately 10,000 acres of public land formerly patented to the State of Wyoming for irrigation development and subsequently reconveyed to the United States and placed under the jurisdiction of the Secretary of Agriculture for irrigation development and settlement.

The project plan includes the construction of Big Sandy Dam, with a storage capacity of 35,000 acre-feet; enlargement of the 20-mile long main Eden canal to provide capacity to serve the 10,000 acres of public land; rehabilitation and extension of the existing lateral system; construction of a drainage system; construction of necessary ditches to recover drainage and return flow water; and, finally, authorization for the Secretary of Agriculture to conduct a land-development program, to determine the appropriate size of farm unit, and to arrange for settlement.

The Bureau of Reclamation started construction of the Big Sandy Dam, the main feature of the project, in July 1941. Construction was terminated by order of the War Production Board in December 1942. When construction terminated, the Big Sandy Dam was approximately 16 percent complete. No work had been started on the other irrigation facilities required.

If the bill, S. 55, is enacted into law, it will permit the Bureau of Reclamation to complete the construction of the irrigation facilities as originally planned or with such modification of physical features as this Department may find will result in greater engineering and economic feasibility. The present estimated total cost of construction of the irrigation facilities of the project as originally approved is estimated at approximately \$4,667,000. This Department has recently reexamined the water-supply situation and the practicability of rehabilitating and enlarging existing storage and supply works. On the basis of preliminary estimates, which indicate that such improvements for a project to serve 17,500 acres could be provided at a construction cost of \$3,135,000, it appears that it would be more economical to develop the project by utilizing existing facilities to the maximum extent.

The bill would establish \$1,500,000 as the reimbursable portion of the cost of construction of the irrigation facilities of the Eden project. This sum would be recovered over the repayment period not to exceed 60 years. The finding of feasibility, the basis upon which the President approved the project originally on September 18, 1940, indicates that the Eden project water users could repay \$1,045,000 in 40 years. More recent investigation of the payment capacity of present and prospective water users tends to confirm the conclusion reached on this point in the original finding of feasibility. Therefore, if a 60-year repayment period is provided, it would be reasonable to require the water users to return a total of \$1,500,000 toward the cost of constructing the irrigation features with proportional adjustment (as is provided for in the bill) based on the actual irrigable area as determined upon completion of the project.

In view of the urgent request of Mr. Mills Astin, in your behalf, for a prompt report on S. 55, there has not been time for the usual clearance with the Bureau of the Budget. Accordingly, I am unable to advise regarding the relationship of the proposed legislation to the President's program.

Sincerely yours,

*Under Secretary of the Interior.*

The CHAIRMAN. The Department of Agriculture is represented here this morning, as is also the Department of the Interior, to testify, Senator Hunt, cosponsor of the bill, may wish to make a remark or two at this point.

#### STATEMENT OF HON. LESTER HUNT, UNITED STATES SENATOR, STATE OF WYOMING

Senator HUNT. Mr. Chairman, and gentlemen of the committee, I have been familiar with this project, I think, for 25 years. It was originally started by a private corporation.

I will not address myself to the previous history of the project, however, nor will I go into the various organizations, both Government and private, that have in times past had something to do with this

project. But I will address myself to the economy of the area and its relationship to this particular project.

The Eden Valley project is approximately 38 miles due north of Rock Springs, Wyo. As cities go in Wyoming, Rock Springs is one of our larger cities. Rock Springs is a coal-mining community, a very extensive coal-mining area where there is located the Union Pacific mine. It is located in a very barren area, practically located on desert lands with no production of any nature close by.

This project primarily was built to supply Rock Springs with vegetables and with dairy products. It has been only partially successful, of course, because of the project never having been fully completed and all of the lands never having had either any water or sufficient water.

It is a very necessary project for this community from that standpoint, supplying vegetables, milk, butter, and cheese to the city of Rock Springs and to some other smaller communities adjacent.

I have on many occasions, by plane, flown over my State. If there was ever a project in the middle of the desert which you could look down upon and see what water would do to an area, it is this particular project. Unsuccessful, completely so because of insufficient water, but with the completion of the dam, the rebuilding of the canal and enlarging it, and extending the laterals, it will bring all of this land into full production. There will then be the supply of vegetables and dairy products for that area that are so badly needed and that now are shipped from rather great distances into Rock Springs.

Mr. Chairman, I am very hopeful this project may have a favorable report by the committee and that Congress may see fit to adopt it.

I think, Mr. Chairman, that is all I care to say.

The CHAIRMAN. What you have said prompts me to state that as I recall the figures, this project last year furnished about 1,000,000 pounds of milk for the surrounding area, for Rock Springs, and the vicinity—the mining area of which Senator Hunt has spoken. But that community has to import about 11,000,000 pounds of milk. That ratio, I think, is true with respect to other products. In other words, there is a home market in the very county in which this Eden project lies which will absorb everything that can be produced there, everything that is being produced there.

It is on the Green River, which is one of the tributaries of the famous Colorado. It has a very adequate supply of water, but it has a very inadequate system. The Big Sandy Dam is not competent, in its original structure, to hold the water that can be used. When the project was started under the Wheeler-Case Act back in 1941, as I recall, work went on into 1942 until the War Production Board stopped it. I think this dam was about 16 to 20 percent completed.

Senator HUNT. Sixteen percent.

The CHAIRMAN. There it sits. The Federal Government has invested money in the project, and we feel it ought to be finished.

Mr. Goe, from the Department of Agriculture, is here.

Senator MILLER. Might I inquire, is that a storage proposition?

The CHAIRMAN. It is storage for distribution, for irrigation.

Mr. Goe, will you please give your name and your official position to the reporter; then make your statement.

**STATEMENT OF JOHN A. GOE, ASSISTANT TO CHIEF, SOIL CONSERVATION SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE**

Mr. GOE. I am John A. Goe, Assistant to the Chief of Operations of the Soil Conservation Service in the Department of Agriculture. The Soil Conservation Service is that agency in the Department that has the responsibility for administering the agricultural phases of this particular project.

This project, as has been said, was initiated under the Wheeler-Case legislation in 1940, and was closed down, for all practical purposes, after being started, by the War Production Board, by virtue of the amount of critical material and labor that would be involved in completing the project, and the length of time it would take to get increased production.

The Department of Agriculture, upon approval of this project, proceeded to carry out its part of the plan that was approved and has under its control at this time all of the new land that will be brought under irrigation by this proposed development. It also has a few acres of land that have water rights under the old system, under its control of excess acreage.

We have made some preliminary surveys of the area. We purchased a considerable amount of equipment when the project was approved, preparatory to initiating our land development work and we have the new lands to be irrigated under our control ready for operation if the project is approved.

The CHAIRMAN. Mr. Goe, there are about 9,000 acres under cultivation now, is that right?

Mr. GOE. There are approximately 9,000 acres under cultivation at this time.

The CHAIRMAN. And the project as now contemplated, and as it would be completed, would include how many acres?

Mr. GOE. It would make a 17,500-acre project out of the area there.

There was only a small amount of money allocated to the Department of Agriculture under the original approval, \$200,000 in amount. It was contemplated that we would receive some participation by the War Projects Administration or the Civilian Conservation Corps at that time. But the entrance of the country into war prevented our getting much help. I think the total participation, so far as we were concerned by those agencies, amounted to about \$5,000. We had a few boys and some men helping our engineers make their surveys.

Of the \$200,000 allocated, \$45,000 was rescinded by an Executive order and used on another project during the war, which was felt could make a quicker contribution to the food-production effort.

We have on hand at this time about \$38,000 of the original amount. The balance has been spent in the purchase of heavy land-leveling equipment and in assistance to certain landowners which occupy that portion of the project now irrigated, in getting their land in better production for irrigated crops during the war.

The Department is at this time, of course, not in a position to complete its part of the program under existing authorities. So in order for us to complete our part of the program which is the development of the lands for irrigation and subdivision into economic-sized farms, selection of settlers and the selling of those farms to qualified settlers,



it will be necessary for the water supply to be constructed as proposed in section 1 of the bill and for the Department to receive additional funds to carry out its responsibilities.

Senator ANDERSON. What is the total estimated cost of the project? The total, not just the Department of Agriculture, but all of it.

Senator WATKINS. You mean under the original set-up?

Senator ANDERSON. No; under present circumstances.

Mr. LINEWEAVER. You mean the project as now proposed?

It is \$3,135,000.

Senator ANDERSON. For 8,500 acres of land?

Mr. LINEWEAVER. No, 17,500.

Senator ANDERSON. You are now irrigating 9,000?

Mr. LINEWEAVER. Yes; but it has an inadequate water supply, Senator; that is, the 9,000.

The CHAIRMAN. It has been estimated, has it not, that the repayment will amount to about \$75 an acre over a period of 60 years, as provided in the bill?

Mr. LINEWEAVER. Yes.

Senator WATKINS. The figure just given does not represent the total outlay on the part of the United States, does it? I understand the Department of Agriculture is going to spend some money on it, too.

Mr. GOE. That is right.

Mr. LINEWEAVER. That is the Department of Interior's figure.

Senator ANDERSON. That was not my question at all.

The CHAIRMAN. What is the Department of Agriculture cost and what is the Department of the Interior cost?

Mr. GOE. The Department of Agriculture, to carry out its responsibilities on the 20,000-acre project as originally approved would need \$1,375,000. That covers the cost of the preparation of land for irrigation, its subdivision into units, and the settlement and rendering of technical assistance to the new settlers. If the acreage is reduced to 17,500, our cost will be reduced, maybe not proportionately, but it will be reduced.

Senator KERR. Nearly so?

Mr. GOE. Nearly proportionately; yes, sir.

Senator DOWNEY. What is the total cost per acre?

Mr. GOE. The total cost of the agricultural phase per acre would be about \$70 on the 20,000-acre project.

Senator DOWNEY. I mean all of the costs.

Senator ANDERSON. About \$250 to \$275.

Mr. LINEWEAVER. About \$175 plus.

Senator McFARLAND. A hundred and seventy-five, what is that?

Mr. LINEWEAVER. A hundred and seventy-five—

Mr. GOE. Plus about \$70 for the development of the farm lands and settlement.

Senator DOWNEY. How much altogether, Mr. Lineweaver?

Mr. LINEWEAVER. About \$250 an acre.

Senator WATKINS. You mean that was the reclamation part of it and the agricultural part of it?

Mr. LINEWEAVER. Yes.

Senator WATKINS. Was that on the 20,000-acre basis or the 17,500-acre basis?

Mr. LINEWEAVER. 17,500.

Senator WATKINS. Could you give us the market value of that same land at the present time?

Mr. GOE. I was estimating a while ago, in answer to your question, that probably the developed land would sell for not to exceed \$100 per acre, without farm buildings.

Senator WATKINS. This plan does not contemplate any farm buildings, does it?

Mr. GOE. No; the settler will put up his own buildings.

Senator MILLER. What will they primarily raise there?

Mr. GOE. Mainly small grain crops, wheat, barley, oats, and irrigated pasture land.

Senator KERR. Did you mean by \$100 an acre that is what it would sell for before irrigation was available to it, or after?

Mr. GOE. I did not understand your question.

Senator KERR. The \$100 an acre, would that be before irrigation was available, or after?

Mr. GOE. No; that would be the land prepared for irrigation and water available. The land at the present time is probably worth not over \$1 an acre.

The CHAIRMAN. Do you know what the assessed value of this land is. Mr. GoE, at the present time?

Mr. GOE. No; I do not, on this Carey Act land.

Senator KERR. What is the growing season?

Mr. GOE. The growing season is rather short in that area because it is a high-altitude area. However, the yield of those crops adaptable to that area is quite satisfactory, that is, oats, barley, alfalfa, hay, and grasses which produce quite well.

Senator WATKINS. What is the elevation there?

Mr. GOE. Sixty-five hundred feet.

The CHAIRMAN. The information I have received from Mr. Smith, who is on the project for the Department of Agriculture, is to the effect that the 9,000 acres there—and not all of that was in cultivation last year—produced four and a half million pounds of grain and 5,000 tons of hay, with a total value of \$275,000. That was for 1948. That was \$40,000 less, according to his statement to me, than was produced during the previous year, because of winter killing and because of the inadequacy of the distribution system.

Mr. GOE. That is correct, sir.

Senator ANDERSON. A gross income of about \$30 an acre?

Mr. GOE. About \$30 an acre; yes, sir.

Senator KERR. When it is under irrigation the gross income would exceed that, would it not?

Mr. GOE. This is irrigated.

Senator KERR. How much oats can you make to the acre?

Mr. GOE. The yield on there has been watched pretty closely by our local man out there. They vary quite a lot, of course, according to the farmer. Some of them have grown better than 100 bushels, but they will not average that for the big project. It would probably exceed the United States average in the production of oats and barley by 20 or 30 percent, though.

The CHAIRMAN. But you are talking only of the value of the grains now.

Mr. GOE. That is right, just the value of the grains.

The CHAIRMAN. Nothing has been said about the livestock and the milk.

Mr. GOE. That is right.



The CHAIRMAN. This 1,000,000 pounds of milk, to which I referred, would be of value over and above that which you have given?

Mr. GOE. Much greater than that. I am glad you brought that up, Senator O'Mahoney.

The CHAIRMAN. There are a great many turkeys produced in that area?

Mr. GOE. That is right.

Senator MILLER. Well, at that elevation, wouldn't you get frost practically every month in the year?

Mr. GOE. It is possible to get frost in any month of the year.

Senator ECTON. And snow, too?

Mr. GOE. Snow, too, and low temperatures.

Senator KERR. Your average growing season would be 90 to 100 days; would it not?

Mr. GOE. That is right.

The CHAIRMAN. That is possible, but not very frequent, I would say to the Senator.

Mr. GOE. The annual precipitation is only 6 inches on the project, so we do not get too much.

Senator WATKINS. Well, it is east of the main part of the Rockies?

Mr. GOE. Well, it lies almost on the Continental Divide. The Continental Divide flattens out pretty much right there. The Union Pacific Railroad crosses the Continental Divide near there.

Senator WATKINS. I would like to ask you if it is contemplated now, in the figures you have given, to develop the full 20,000 acres under the Department of Agriculture program, that part assigned to the Department of Agriculture?

Mr. GOE. We would only develop that land which the Bureau of Reclamation develops water for.

Senator WATKINS. Do you know what the over-all revised program is at the present time? I mean, there is a program revised downward from the full 20,000?

Mr. GOE. Seventeen thousand five hundred.

Senator WATKINS. And you have about 9,000 now that are already under cultivation? That is under private ownership?

Mr. GOE. Well, most of that is, not all of it. There is a little over 8,000 under private ownership and the Federal Government has about five or six hundred.

Senator WATKINS. Who has been irrigating that which is not under private ownership at the present time?

Mr. GOE. The approximately 9,000 acres has been under irrigation. Most of that has been private ownership.

Senator WATKINS. You said there was some that was not. Who owns that or operates it? The Government is not operating it; is it?

Mr. GOE. The Government has a man out there to supervise the operation of this whole system because the Government protects the interest of the water users in that system.

Senator WATKINS. What I am trying to get: Is the United States not running the farms out there through the Department of Agriculture?

Mr. GOE. Oh, it leases approximately 1,700 acres of land it does have there for which there are water rights.

Senator WATKINS. 1,700 acres of the 9,000 are now owned by the United States, and the Department of Agriculture, then, has control over that?

Mr. GOE. That is right.

The CHAIRMAN. I think the record ought to show that this was an old-time Carey Act project, under which the members of the committee will recall public land was conveyed to the State for distribution by the State to settlers who entered into contract with the private water-distributing system for the delivery of water. Only 9,500 acres were distributed in this manner. There were, I think, some 10,000 or 20,000 acres additional, but in any event at least 10,000 acres were reconveyed to the United States by the State of Wyoming when the original project was undertaken.

Mr. GOE. Fourteen thousand acres, Senator.

The CHAIRMAN. I had forgotten the exact amount. The handling of that area, as I understand it, was placed under the Department of Agriculture?

Mr. GOE. That is right.

The CHAIRMAN. For eventual distribution?

Mr. GOE. That is right, for the use of this project. It was made available to the Secretary in connection with the development of this project; so it has 14,000 acres of land.

Senator WATKINS. I just wondered where the ownership was. You have cleared that up.

Now, may I ask, what is the plan of the Department of Agriculture under this bill, if it is enacted, with respect to the development, leveling, and what not, that the Department is going to undertake, what is its program with reference to that part of the land now under private ownership?

Mr. GOE. The Department assists the private owners with the preparation of their land, for the better preparation of their land, let us say, in the reorganization of their individual farm-irrigation systems, at their request and under a private contract with the individual farmer.

Senator WATKINS. Under that individual contract you mentioned, does the farmer repay all the cost?

Mr. GOE. He repays the actual cost of moving the dirt and operating the machinery. The administrative overhead, covering certain technical assistance, is furnished him without cost.

Senator WATKINS. In other words, he pays for the machine operators and the machines?

Mr. GOE. And the actual moving of the dirt.

Senator WATKINS. Without including any cost overhead on the machine itself?

Mr. GOE. Yes, that is included.

Senator WATKINS. Rental on the machine?

Mr. GOE. Yes. The technical assistance that is rendered to all people in the soil-conservation district is also offered to the people on this project who are now there.

Senator WATKINS. Is that the program when it was first started in the early days under the WPA?

Mr. GOE. The program contemplated the preparation of the full 20,000 acres of land sufficiently irrigated. But they did not think, however, at that time that the private land-owners were going to request or have as much land-development work done on their land

as has developed to be the case. They did contemplate, of course, the full development of the Carey Act lands, which were raw lands, lands which had never been broken up at all. But the program contemplated sufficiently irrigating the full 20,000 acres of land and doing that work with the private landowner who is out there now in contract with him, his own desires, and what he was willing to do.

Senator WATKINS. Which agency of the Department of Agriculture actually takes care of making these contracts and furnishing the equipment to do this releveling, preparation of the ground, and fixing it up?

Mr. GOE. The Soil Conservation Service.

Senator WATKINS. The contracts then would be with the Soil Conservation Service?

Mr. GOE. Yes, sir.

Senator WATKINS. That is under the authority of the previous act, or is it under the general authority given the Department of Agriculture?

Mr. GOE. No; it was included in the original plan.

Senator WATKINS. Do you contemplate following the original plan?

Mr. GOE. Yes.

Senator WATKINS. I notice in the bill it says, in section 2:

That all expenditures in the development and settlement of the project lands may be excluded from the costs in determining the amounts required to be reimbursed, to the extent the Secretary of Agriculture determines it necessary to keep reimbursable costs with the ability of the water users to repay.

Have you worked out any schedule now as to what the Department of Agriculture will require the landowners to repay?

Mr. GOE. We have an idea, sir. The reason I think that was placed that way at the time the report was written is that they were not 100 percent sure exactly what acreage would be in the project, what the ultimate acreage of the irrigated lands would be. Of course, the price of agricultural products was pretty high. Just what that would be over a 40-year repayment period was not altogether predictable.

Senator WATKINS. Do I understand that the contract now with the Secretary of Agriculture through the Soil Conservation Service would be on a 40-year-repayment plan?

Mr. GOE. That is the present plan, and has not been changed.

Senator WATKINS. Is that without interest?

Mr. GOE. No, that is with 3 percent interest.

Senator WATKINS. This is a new one to me. The reason I am asking about it is that we may want something of that kind in Utah, if it is advisable.

The CHAIRMAN. Mr. Goe, there are some other projects of this kind; are there not?

Mr. GOE. Yes; there are.

The CHAIRMAN. What are they?

Mr. GOE. The names of these projects?

The CHAIRMAN. Yes.

Mr. GOE. There were 19 altogether approved under this type of program. It was a joint development program between the two Departments, Interior and Agriculture, in which the Bureau of Irrigation of the Department of the Interior constructed the major reclamation works, and the Department of Agriculture handled the settlement of the lands.



The CHAIRMAN. Of the 19, how many were completed before the war?

Mr. GOE. Senator, I do not think any were completed before the war.

The CHAIRMAN. How many, then, were completed under the original authority of the Wheeler-Case Act?

Mr. GOE. None of them have been 100 percent completed under this original appropriation, under which this project was approved. This project was one of those authorized under the original \$5,000,000 appropriation in the Interior Department appropriation bill of 1940, which authorized the construction of this type of project. Shortly after that, the Wheeler-Case Act was enacted, which was the basic enabling legislation to carry out this type of program. Other projects were developed under the authority of that act.

The CHAIRMAN. Then there were several which were authorized to proceed under new legislation; were there not?

Mr. GOE. Several of these projects that were originally approved under this act were brought under the provisions of the amended Wheeler-Case Act for completion.

The CHAIRMAN. Would you name those?

Mr. GOE. Yes, sir; the Mirage Flats project in northwestern Nebraska, the Buford-Trenton project in North Dakota, the Buffalo Rapids project in Montana. I believe those projects were brought under the purview of the amended Wheeler-Case Act for completion.

The CHAIRMAN. How about the Angostura project; are you handling that?

Mr. GOE. The Angostura project was approved originally under the Wheeler-Case Act.

The CHAIRMAN. But special legislation had to be passed to authorize its completion; did it not?

Mr. GOE. That is right. The project was very similar, or, I will say, the problem of the Department of Agriculture was quite similar in the Angostura project to the problem encountered by the Department on this project. In July 1943, during the war, the Wheeler-Case Act was amended in a way that would provide authority for both the Department of the Interior and the Department of Agriculture to complete certain projects that had never been started, but which could not be finished under the original plan because of the fact that we had no more labor furnished by WPA, CCC, and other agencies of that kind.

So, we were both confronted with the problem of having a number of projects pretty well along in development construction, but our labor supply had gotten away.

The Wheeler-Case Act was amended, which gave authority for the Department, with Presidential approval, to complete these projects and expend the necessary funds from money appropriated under the Wheeler-Case Act in the completion of those projects, and to utilize those appropriated funds in lieu of those moneys which were to have been supplied by the Works Projects Administration or the Civilian Conservation Corps.

The Angostura project was caught in that same situation whereby the small amount of money we had was fully reimbursable and there was no help from WPA or CCC in order to absorb those costs which were over and above the water user's ability to repay.

The CHAIRMAN. There is no way to complete this project except by legislation of this character?

Mr. GOE. That is right.

Senator WATKINS. May I get back to the question I asked?

You said there was a 40-year repayment contract between the Department of Agriculture and these farmers. As a matter of fact, this bill provides for a possible 60-year repayment contract, does it not?

Mr. GOE. That is with respect to the repayment of the construction work performed by the Bureau of Reclamation.

Senator WATKINS. And that is not contemplated in the Department of Agriculture?

Mr. GOE. No, sir.

Senator WATKINS. I notice the language I just quoted a few minutes ago from this bill goes on the theory that the farmers will not be able to repay all of this cost.

Mr. GOE. That is right.

Senator WATKINS. Do you know now about what proportion they can repay? As I understand, you revised this program downward from 20,000 acres to 17,500. What is the estimate now? What percentage of that can they repay?

Mr. GOE. The Department originally estimated, when the project was originally approved, that the water users would repay \$200,000 out of the \$425,000 that was authorized for expenditure by the Department.

Senator WATKINS. Nearly half?

Mr. GOE. Nearly half. Since that time, the Department has figured the farmers will repay somewhat more than that. That depends, of course, on the total acreage finally developed and the price structure at the time we enter into the sale of these farms to individual settlers.

Senator WATKINS. I notice, for instance, the Bureau of Reclamation is able to make an estimate now about what the farmers can repay on the cost of the reclamation end of it. Can the Department give us an estimate about what they are going to expect them to repay under the contracts?

Mr. GOE. Yes, we would expect to receive about \$373,000, instead of the \$200,000 originally considered.

Senator WATKINS. As I get it from one of these reports, the total cost is \$1,340,000 on 17,500 acres?

Mr. GOE. That is about right.

Senator WATKINS. Do you intend to spend the \$1,340,000 to rehabilitate and do this leveling, which I understand includes drainage as well?

Mr. GOE. That is the surface drainage, not deep drainage. It takes care of the individual farm-drainage problems.

Senator WATKINS. Do you construct any canals or laterals under this sum at all?

Mr. GOE. The distribution on the farm; yes, sir.

Senator WATKINS. The Department of Agriculture constructs the distribution system?

Mr. GOE. Yes, sir.

Senator WATKINS. After the lateral gets to the farm then you construct the ditches on the farm?

Mr. GOE. Yes, sir.

Senator WATKINS. That is a rather new departure, is it not, the matter of going out and building the laterals on the man's farm, leveling his ground, putting in surface drains, and all that sort of thing?

Mr. GOE. We think it is a good departure.

Senator WATKINS. It may be, but I am asking if it is a new one. I am not arguing against it. If it has a lot of benefits, we may want it down in Utah.

Mr. GOE. I would say it is.

Senator HUNT. Mr. Chairman, may I introduce this for the record at this time, if I may? It was just handed me by Mr. Lineweaver. It is a statement to the effect that of the \$2,040,000 earmarked for Eden in the 1947 Appropriation Act, \$1,493,296 is available. The balance has been used to finance the other projects of like nature, as Mr. Goe mentioned a minute ago, the Mancos, Buford-Trenton, Buffalo Rapids, and Mirage Flats.

That may go into the record.

(The document referred to is as follows:)

EDEN	
Total estimated cost .....	\$3, 497, 753
Estimated obligations to June 30, 1949 .....	358, 628
Balance required .....	3, 139, 125
Unobligated balance of allotments available, June 30, 1949, on Eden ..	<sup>1</sup> 707, 796
Unallotted WCU funds available .....	<sup>1</sup> 785, 500
Total available .....	<sup>1</sup> 1, 493, 296

<sup>1</sup> \$900,000 used for snow relief and availability is contingent on supplemental appropriation by Congress and subject to approval by Budget Bureau.

Of the \$2,040,000 earmarked for Eden in the 1947 Appropriation Act, \$1,493,296 is available and the balance has been used to finance other projects such as Mancos, \$237,316; Buford-Trenton, \$126,000; Buffalo Rapids, \$35,000; Mirage Flats, \$123,000; etc.

Senator HUNT. Senator Watkins, may I make a brief statement following along the lines you have just covered?

Senator WATKINS. I am trying to get the facts on this. This is a new one to me. I have not heard of this before in connection with any reclamation project. I just wanted to see if we were overlooking something.

Senator HUNT. This is the thought I had, after very closely watching the reclamation development in my own county:

It seems to me on most of our reclamation projects down through the years that after the project is completed, as far as the Reclamation Service is concerned, then we have the settlers come in supposedly with available finances of \$2,000, I believe it is, which may mean a cow, a mule, an old automobile, or anything else that they may have. On that project it takes that settler years and years of hard work and drudgery to get his laterals, to get the land level, to get it fenced, to get some buildings, and to get it into a producing unit. In other words, he is not exactly an economic asset on that project for a good many years. Sometimes it is the second generation before it is really a going unit and a paying farm.

I think this is a step absolutely in the right direction.

Senator WATKINS. Would you recommend it for all the big ones?

Senator HUNT. Indeed, I would. That is, the Reclamation Service or some other agency of government would go in as soon as a big proj-



ect is completed, that is, the larger canals and the dam—some department of government would level that land, make buildings available or make equipment available.

Senator WATKINS. You mean, put up the buildings?

Senator HUNT. And furnish electricity to them. So that that settler might become an economic unit; the farm might be an economic unit and of value to the community, say, in the first or second year, instead of the twentieth or twenty-fifth year. He will be able to pay off his obligation to the Government.

Senator WATKINS. Would you say under that program he would pay off all of the cost?

Senator HUNT. Whatever may be decided in each instance, but he would be in a far more favorable position to pay off all costs if he could start making some money as soon as he goes on there, rather than waiting for 15 or 20 years before he becomes an economic unit.

Senator WATKINS. I am very much intrigued with your suggestion, because we probably ought to have had it going sooner. My people, for instance, went out on the Uintah Indian Reservation to settle a place there, and they had to do their own leveling. My father went out with a team and a tongue scraper, and leveled off his ground. It took him several years to do it. He had to do it on his own.

But as I understand this bill, it provides that this leveling shall be done and the farmer would only pay for that part of it which the Department of Agriculture thinks he can stand. The rest of it is left to the discretion of the Department of Agriculture and will be assessed against the rest of the taxpayers. It comes out of public money.

I wanted to get the full development of your theory, because this is something new in western agriculture and development.

Senator HUNT. It is something new, but it is something good, Senator Watkins.

Senator WATKINS. Well, it may be; I am not arguing that point. I am just trying to get the picture of what is proposed here.

Senator ANDERSON. Senator Hunt, I am not exactly sure, but I sat in on the Columbia River hearings as a member of the House committee—and Mr. Lineweaver could help you—but did we not write into the Columbia River Basin Act provision for the actual leveling of the farmer's individual land and the carrying of laterals to him?

Mr. LINEWEAVER. I may say, Senator Anderson, the Senate committee did write that into it, but the House conferees rejected that provision.

Senator ANDERSON. But it is not an entirely new theory, in any event?

Mr. LINEWEAVER. No; it is not.

Senator ANDERSON. I could still go back to the hearings of the House committee and point out the difficulties I had in trying to level land, when I was doing it individually. But when a complete project permits the leveling of land by large units, by large carry-alls, and by the most efficient type of machinery, the leveling costs are very sharply reduced.

This theory which is a part of the whole Wheeler-Case program is not entirely new. It may be occasionally rejected, but it is not entirely new.

Senator WATKINS. Well, I have been working on reclamation for 14 or 16 years now, and I had not heard of it in my own State. I have not heard of a single project in Utah—I may be mistaken, I may not have full information on Utah—where we had this unusual provision that the Department of Agriculture would go in and level the lands. For instance, on the Newton project——

Mr. GOE. You did have it on the Newton project.

Senator WATKINS. That they leveled the land?

Mr. GOE. Yes.

Senator WATKINS. That is news to me.

The CHAIRMAN. How about the Seofield project?

Mr. GOE. That was another one.

Senator WATKINS. You did not level the land there, did you?

Mr. GOE. We had a certain amount of work and are still doing work

Senator WATKINS. I put a specific question there. Did you level the lands and put the lands in shape for those farmers?

Mr. GOE. They are not all leveled and put in shape.

Senator WATKINS. As a matter of fact, they are all lands that have been under cultivation for many years, are they not?

Mr. GOE. And so has the Newton project.

Senator WATKINS. That is what I understood.

Mr. GOE. We leveled those lands for those farmers.

Senator WATKINS. This is all aside, and may be off the record, but I would be very happy to have you give me a sample of those contracts, the amount of money spent in leveling, and just what you did do there. I am very much interested in that.

I will be very frank, Mr. Chairman. This whole thing is quite a surprise to me. When I saw that provision I wondered how far this was going. If it is the inauguration of a new policy in connection with reclamation, then I think we ought to give it some serious consideration, independent of this particular measure. This is one of those incidental things that comes along, but those things sometimes get into the program and before we know it, whether we have given it consideration or not, we have a precedent, and we have to go by that. Maybe that is what we ought to do.

The CHAIRMAN. I think it ought to be pointed out that this particular bill arises by reason of the fact that an experiment was initiated prior to the war in the days of the depression under the Wheeler-Case Act. It was not at all comparable to the regular procedure under the reclamation law. The Wheeler-Case Act, sponsored by Senator Wheeler of Montana and Congressman Case of South Dakota, was designed to provide an utterly new method of handling what seemed to be desirable rehabilitation projects.

During the war when, as chairman of a subcommittee of this committee, I conducted hearings on the general reclamation problem and particularly upon the authorization of the Missouri Basin project, evidence was presented to us of thousands of soldiers still in uniform in camps, here at home and abroad, seeking opportunities for land settlement. They were writing to Members of Congress. They were writing to the departments. They were asking how and when they would be permitted to settle upon new land. They were thinking in terms of the policy which had been followed by this country from the very beginning.

Public land was made available to veterans of all our wars. Unfortunately, the veterans of the recent war have only the poorest land upon which to settle. There is no land upon which they can settle except that which is made susceptible to irrigation by the Bureau of Reclamation, or which is developed by some other agency of government.

So the Wheeler-Case Act was designed in part to deal with that project, to bring about this new policy of which my colleague has just spoken.

It seemed to me, when we were considering those bills during the war that it would be rather unfair to the veterans of World War II to give them veterans' preference to settle upon the land while knowing that when they did settle, if they had the same experience of many settlers previously, they would spend all of their vigorous manhood in going broke upon the land.

The cooperation of the Department of Agriculture with the Department of the Interior to do this work, is designed to save such a loss to individuals. With reference to this particular bill I point out that the Eden project is the last of these projects. All of the others have been authorized under special legislation, at least all of those that were capable at all of being authorized.

Mr. LINEWEAVER. Mr. Chairman, for the information of Senator Watkins and the committee, may I state that on public lands from time to time, beginning in about World War I, there was some leveling done by the Bureau of Reclamation on public lands, which are under the jurisdiction of the Department of the Interior and are open for settlement from time to time.

Following up your suggestion there of preparing public lands that have been opened since World War II, we have proceeded on projects in Wyoming, Idaho, and northern California to provide rough leveling and the roughing-in of farm ditches for veteran settlers.

The CHAIRMAN. In the Appropriations Committee of the Senate, at least, we have proceeded upon that theory and have allowed you funds with which to do it, believing that the Department could do it much more effectively and much more economically than the individual settler, because the Department can utilize the large equipment necessary to do the job.

Senator WATKINS. May I point out in connection with that, that it is not like it used to be. We now have many men in private enterprise who possess this large equipment. Many of them would be glad to do custom work. I know down in the Imperial Valley of California a great deal of the work, apparently, in the leveling of those farms, plowing, and doing such things as planting and putting their land in shape for planting is done by custom workers. The Government itself is not particularly in the job.

I notice here in this bill, and the statement made by Mr. Gee, that the Department of Agriculture has bought and now possesses a lot of equipment to do this particular work. As I get it, it is not done under contract. That is, whatever the United States Government does is not done under contract, but is done under force account, apparently.

As I remember the soil-conservation work in my State is done under contract with the farmer where he puts up part of it and the Government subsidizes the rest of it, on the theory that he is given an award



for doing certain things which are beneficial to him and to the country as a whole.

But I take it here the Department of Agriculture owns the equipment when it makes a contract with the farmer, but the work must be done under force account on very small units. I point this out, that all that can be done is to have it done on the big units so that we can get the lower costs.

I would also like to indicate it is possible under moderate conditions to have it done by private enterprise without the Government entering into it at all. I know it can be done in my State, and in other States as well.

Mr. GOE. Mr. Chairman, if I may make this statement: I may have given you the wrong impression about the work the Department is doing or would do. As the project was originally approved it was proposed to utilize WPA labor and CCC labor.

Senator WATKINS. So I understand. I got that impression. In fact, I know that that was the idea back of the Wheeler-Case bill.

Mr. GOE. That was the main reason for the Department preparing to do the work by force account. There is nothing in our procedure which requires that force account. In fact, we very often let this out by contract. This particular area happens to be about 38 or 40 miles from the railroad and the season is short. It was deemed advisable to have sufficient funds in our budget to have the necessary equipment in the event we had to perform the work by force account. It may be that we can make a good deal by contract to level those Government lands.

Senator WATKINS. How have you done it in the past?

Mr. GOE. We have done it both ways.

Senator WATKINS. By both force account and by contract?

Mr. GOE. Yes.

Senator WATKINS. And your contract would be on individual piecework?

Mr. GOE. Well, the contract for the work on the land under the Department would be for a big block of land covering a number of units. The Mirage Flats project in Nebraska was leveled under contract.

Senator WATKINS. I was trying to pin it down to this one. I am getting a pretty fair picture of how this came about. I am acquainted with the Wheeler-Case Act. I do not know those things that happen in my own State, as you say, because I did not work individually on them, but the other reclamation projects I have known for 14 years. I should, by exposure, get a little information, at least, about the way the Reclamation Bureau operates. I have heard of some projects in California and probably in Arizona where the Department has gone out and prepared land for veterans.

May I ask now how many veterans are in on this deal?

The CHAIRMAN. Of course, the present settlers are old-timers, for the most part. They occupy 9,000 acres, but there will be this additional which brings it up to 17,500, which may be available for that sort of thing.

Senator WATKINS. The 8,500 acres, as I understand it, is not public land open for entry?

Mr. GOE. It would not be open to entry, it would be sold.

Senator WATKINS. Under what terms would it be sold?

Mr. GOE. It would be sold with a 5 percent down payment and 40 years to pay the balance, if necessary, at 3 percent interest.

Senator WATKINS. Have you an estimate of what it will bring after you get it all leveled up, what you can sell it for under the Government program?

Mr. GOE. As I say, I think we can probably get that \$373,000 out of it.

Senator WATKINS. Out of the one you are going to spend \$1,340,000 on?

Mr. GOE. That is right.

Senator WATKINS. In addition to the \$400,000 you have already spent?

Mr. GOE. We have not spent \$400,000.

Senator WATKINS. How much have you already spent?

Mr. GOE. We have spent about——

Senator WATKINS. Whatever it is, it would be added to this \$1,340,000?

Mr. GOE. That is right.

Senator WATKINS. You get around \$400,000 back?

Mr. GOE. That is right.

Senator WATKINS. Do you have an regulations laid down now for——

Mr. GOE. That would be the 40-year period.

Senator WATKINS. Have you any regulations for the sale of that land which would indicate veterans' preference?

Mr. GOE. We are giving veterans' preference in the settlement of these lands that the Government has.

Senator WATKINS. Could you cite any part of the law which gives you the authority to sell this land? It is not owned by the Department of Agriculture, is it?

Mr. GOE. It was transferred by special act of Congress.

Senator WATKINS. From the Department of the Interior to the Department of Agriculture?

Mr. GOE. No, from the State of Wyoming, the Carey Act land, to the Secretary of Agriculture.

Senator WATKINS. It was a direct conveyance from the State of Wyoming to the Department of Agriculture of the United States, is that correct?

Mr. GOE. This is the act that authorized the transfer of these Carey Act lands.

Senator WATKINS. So now it is in the hands of the Secretary of Agriculture?

Mr. GOE. Yes, sir.

The CHAIRMAN. Is there any additional statement you want to make, Mr. Goe?

Mr. GOE. I think not.

Senator DOWNEY. I would like to ask a question or two.

I am not sure that I understood your testimony. Did you say after this land is provided with irrigation facilities and is leveled, it will be worth \$100 an acre, the market value?

Mr. GOE. That was my estimate; yes, sir.

Senator DOWNEY. And it will cost about \$250 an acre to do that?

Mr. GOE. That is right.

Senator DOWNEY. Why would not the veteran and the Federal Government be a lot better off for the Government just to take \$100 an acre, buy the land and give it to the veteran? Would not the veteran be a lot better off and the Federal Government, too?

Mr. GOE. I do not know that I can answer that one. I think if one takes the position that the only beneficiaries of an expenditure of this kind are those men who operate the land, it would be probably a little more difficult to justify that type of public expenditure.

If, on the other hand, one takes the position like most of our people in the West do, that for every farmer located on one of these projects and who has an opportunity to make a living and livelihood for himself, there are probably two other families in the adjacent towns supported by this new development, and maybe one or two others somewhere else in the United States, it is not so difficult.

For lack of a better system of spreading the cost to all of the beneficiaries, we are doing it this way, charging the farmer all he can afford to pay for the development of the project and the rest, as in this project, would come from taxation.

Senator DOWNEY. You think, then, on that basis—and I do not know whether you are expressing your individual approval of it—that we can afford to produce with Government money farms that cost the Government two and a half times as much as they are commercially worth?

Mr. GOE. I would not try to answer that question for the Secretary. That is a debatable question, I realize.

Senator DOWNEY. But you have just pointed out the reasons you think justify it.

Mr. GOE. Yes.

Senator DOWNEY. Now, do you think it would justify putting five times as much in land as it is commercially worth, or could be bought for?

Mr. GOE. My personal opinion is—and this is personal, sir, and I would not want it to be taken as representing the policy of the Department or of the service, but as one who has lived on these irrigated ranches for a good many years—I feel that we need to develop our irigable resources; that it is a good investment for the Federal Government, even though the farmer cannot pay more than 20 percent of it. I think the other benefits that accrue from the development of a natural resource there are worth while to the Federal Government and to the whole economy.

The CHAIRMAN. Mr. Goe, I am rather inclined to think you are underestimating the value of this land. Senator Hunt, who has been Governor for 6 years and secretary of state for some 8 years prior to that, has been thoroughly familiar with the State board of equalization.

May I ask you, Senator, what your judgment is with respect to this land value there?

Senator HUNT. Those presently settled on this project, Mr. Chairman, are a group of very successful farmers. They have wonderful homes and buildings. They have made a financial success of their operations on this project. That part of the project that has ample water, to my way of thinking, is as successful a project, perhaps, as we have in the State, not quite, perhaps, because the altitude is a little higher than the Big Horn Basin and the Riverton project. But by and large that part of the project which has had ample water has



produced good farms, good crops, lots of turkeys and poultry, a tremendous amount of dairy products. I think you have underestimated the value of that land per acre after it has ample water on it.

Mr. GOE. You may have misunderstood my statement a while ago. What I tried to imply was that that was land without any buildings, fences, houses, barns, or anything on it. So I think you are absolutely correct. Your improved farms are probably a good deal more valuable than that.

Senator DOWNEY. Mr. Chairman, I would be interested to know the valuation that Senator Hunt would place upon this land, without improvements, of course, but leveled and with your irrigation ready. I must admit, Mr. Chairman, this question is disturbing me a very great deal now. I see costs in the Central Valley aviating beyond anything we had expected—the Bureau of Reclamation costs—until I can see in certain cases that the costs are beginning to equal the value of the land. I must admit that that disturbs me. Now, maybe I should not be disturbed. Maybe we can have the Federal Treasury produce lands at 2, 3, 4, 5, or 10 times their cost, or 10 times their market value, I do not know. I suppose we could go all over the United States and level land, put in fertilization, fine roads, and everything, but it looks to me like we would be pulling ourselves over the fence by the bootstraps. Maybe I am entirely wrong.

I must admit I would feel very much more friendly toward this project if I did think that land was worth something in the neighborhood of what it is going to cost to produce it.

Senator HUNT. May I address myself to Mr. Downey—

Senator DOWNEY. I have a very high confidence in the former Governor of Wyoming and the present Senator, as well as I have in the chairman, and I hope that he can advise me it is worth more than that.

Senator McFARLAND. Pardon me before you start, Senator? Is there not a misunderstanding here about this situation? In order that I may understand your answer, this \$100 an acre that it was selling for, would not that include the obligation to pay the Federal Government what they owe it? It is not selling for \$100 an acre without any obligation.

Mr. GOE. Oh, no. He just asked what I thought the valuation of that land would be.

Senator McFARLAND. I know in all of our projects you sell land and it includes the obligation. You have to go ahead and pay your obligation to the Federal Government above that.

Senator WATKINS. What I was trying to get at was what similar land under similar conditions—the reason I am asking this is because I have been through condemnation suits for rights-of-way, for reclamation projects, and so on; I don't know how many hundreds of them. I know the factors that go into market value. We have to take that into consideration in fixing every condemnation suit. The jury has to be instructed on that very point. They take into consideration all the obligations and everything against them.

I do not know a thing about it, as a matter of fact, so I had to develop the information from the witness. Now, it may be worth more than that. It sounded rather low to me to begin with, in a valley that high and under that situation. But there must be land

there without buildings on it on which there are no obligations that are assumed of if they are assumed they would deduct that from the purchase price. I think that is the practice. There must have been land sold there which we could use for comparison purposes to see what this land would be worth, all ready with ditches, leveled, and ready to go.

Senator McFARLAND. Then you have the obligation to the Federal Government.

Senator WATKINS. I understood the witness was answering what the market value was on land in this locality. I do not want to be misleading. Personally, it seemed to me to be very low.

Senator DOWNEY. I would certainly like to have it clarified in my mind.

The CHAIRMAN. I think the situation tends to be confusing because of the fact that this is the only agricultural land in this country. This is the largest coal-mining county in the State. So far as ordinary conditions are concerned, it is probably the most arid county in the State. The only relief is the Green River which brings water into the county from the mountains. The water supply does not develop naturally in this county.

Now, when the Carey Act project was undertaken years ago by private enterprise it was inadequately constructed. The dam was not designed sufficiently large to store the water that was necessary. The distribution canals were inadequate. I remember that the aperture through which the water was delivered from the dam was not sufficiently large to convey the amount of water that was available. That was one of the curious errors of construction.

The result of all this was that there was a very inadequate supply on some of the lands under irrigation, good supply on others, and then on other land which could easily have been brought in, there was no supply at all. The consequence of that is, of course, that nobody in that county for years past has been desiring to settle in this area or to buy the land, and I do not suppose you could get a market value there of any amount at all that would be attractive to any person. That was the circumstance which led in the first place to the adoption of the Wheeler-Case law, and to the approval of this, among other projects of similar character.

My own conviction is that when you have a good water system there and the water is being distributed, the value of the land will be commensurate with the expenditure being made.

Senator, you were about to make some comment to Senator Downey.

Senator HUNT. I was just going to address myself to the comment Senator Downey made with reference to putting more into this land than the ultimate value of the land. I do not need to say to the Senator that he understands the value of any reclamation project to the economy of the surrounding area. But, Senator, all down through the many years that we have had huge flood-control projects, primarily for the purpose of taking water off of land to make it productive, you, out in California, have paid your share of those costs to protect Missouri, Louisiana, and lands down along the Mississippi.

Here we have exactly the same proposition, only we are putting water on lands to make them productive. So why should there not be some charge against the Government, the same as for flood control? Your objectives are exactly the same.



The fact of the matter is, I think we are in error, and always have been, in attempting to make the settler repay the price of these projects, when we are simply putting water on land to make it productive, and all down through the years we have spent literally billions to take water off the land to make it productive and it has been charged against all the taxpayers.

Senator WATKINS. I can see, of course, the argument Senator Hunt is now making could be made for a good many years, and I hope maybe we can get it to prevail. But maybe thousands of farmers have already built their farms and have done the leveling, as I have indicated my own father did, and who worked hard to do it. Now, then, are we going to adopt a policy from here on that we are going to charge to the Federal Government anything over and above what the farmers can pay—not get it out of power development and incidental matters connected with it? You see, that is the theory we have been proceeding on, that power would help pay it; so much would be allocated to flood control, so much to wildlife propagation, silt control, salinity control, and all those other items. That is all part of the program now, so we can charge off a large part of it to these various features out of which the whole people get some benefit.

Then we have the power come in and the farmers pay what they can, then finally after the charge-offs are made, the project is feasible.

Now, under the present situation, we do not have any flood control, you do not have any salinity control, wildlife control or propagation, or any of those features. Here we have an entirely different situation.

There will be other projects in other States, and that is why I think this is a rather important situation at this time, not because of this particular project. It brings up a question of policy. There will be other projects coming along. Maybe it would be feasible if we could subsidize them, in other words, even if the land would produce turkeys, cream, butter, oats, it would produce all these things to great advantage, still it would only sell for a certain amount, and it would cost us two and a half or three times as much to get it.

What we are going to run into, I am afraid, is this: On the one hand we are getting farmers to sign contracts not to produce surpluses. If they will sign those contracts, then we come along with the policy of the Federal Government to subsidize them with a price-support program, and I have been in favor of that program. I am afraid we are going to run into a mass of contradictions if we are not very careful.

I hope we look into this very carefully before we adopt a policy that might possibly be very embarrassing to the reclamation States. I am for it 100 percent. I want to get reclamation going, and that is the reason I think this is a very important situation.

The CHAIRMAN. May I say to the Senator, in my opinion we are not establishing a precedent here. We are just concluding the special list of cases, under a special precedent, which was established under the Wheeler-Case Act.

Senator WATKINS. May I say I probably was commenting more on what my good friend from Wyoming, Senator Hunt, was saying, that it is a good program and we had to do it.

The CHAIRMAN. That is a matter which will have to be decided.

Senator WATKINS. Senator Anderson had the same idea and probably others in this committee.

The CHAIRMAN. That will have to be studied independently.

Senator McFARLAND. As I understood your question and the answer, it is that this land, if it were leveled, would sell for \$100 an acre, and yet it would carry the burden of paying the Reclamation Service for the storage dam, and those payments from year to year. Is that your answer?

Mr. GOE. My answer was what I thought was the market value of the land. As Senator O'Mahoney has said, the land irrigated in that community now has been settled on for a great many years, about 35 years, and I think there is a very small amount of change in ownership which could establish a market value in there.

I was just estimating that the land, without any farm buildings, any fence, any well, any house, any barn, or anything, just the raw land leveled for irrigation, should be worth at least \$100 an acre.

I would like to clarify that just a little. That probably is not today's price. It probably would sell for more than that. But when you go to sell to farmers you have to consider probably what his income is going to be over that repayment period which is 40 years in the future.

Senator McFARLAND. Does that land now carry obligations to the Federal Government?

Mr. GOE. It carries no obligations at the present time. It will carry obligations only if the project is completed.

Senator McFARLAND. But when the buyer buys it he understands he has to make these payments to the Federal Government?

Mr. GOE. Oh, yes.

Senator McFARLAND. For this development?

Mr. GOE. That is right.

Senator DOWNEY. Well, Mr. Goe, I am left completely baffled and bewildered. All I want to do is elucidate the facts and I hope your opinion is that it is worth more than \$100 an acre. I am not seeking any particular opinion, but I want to know the facts. Now, when you tell me you think that land is worth \$100 an acre as its market value, when it is leveled and ready for irrigation, you do not mean it is worth that, do you, or do you, subject to other liens and encumbrances to the Government? Is that its full market value? Which do you mean?

Mr. GOE. That would be its full market value today, I believe.

Senator ANDERSON. I still do not subscribe to that.

Senator McFARLAND. I do not understand that. You say it is its full market value. I would like to clear this up, if I may.

Senator DOWNEY. I would like to have you, if there is any doubt about it.

Senator McFARLAND. On any irrigation project, for instance, in Arizona, the man who buys the land has to continue payment to the Federal Government. When he buys it he assumes those obligations. Do you mean to tell me that land up there is without any obligation to the Federal Government, free of all liens, and without the encumbrance of the liens which go on irrigation projects, all paid out right at the beginning, would only sell for \$100 an acre?

Mr. GOE. I was just making that estimate.

Senator McFARLAND. Well, is that your estimate?

Mr. GOE. That is my estimate, without improvement; yes, sir.

Senator ANDERSON. We can get a figure very easily. There are now 9,000 acres of land under this very project, under ditch, fully



leveled, by the expenditure of one-hundred-and-some-thousand dollars of Federal money. What is that land on the assessment rolls for?

Senator HUNT. I could not tell you what it is shown at on the assessment rolls.

Senator ANDERSON. What is it worth?

The CHAIRMAN. I do not think that would be a proper measurement.

Senator HUNT. You cannot go into that area today and buy some of those improved farms for anything like that.

Senator ANDERSON. This is not improved; this is raw land.

Senator HUNT. I do not know how you could arrive at what value raw land is worth. Let me give you an example. In my own county I used to ride over land worth \$1 and \$1.25 an acre, and that land within the last 6 years has been producing \$100 an acre.

Senator KERR. What would it sell for?

Senator HUNT. It would sell for \$90 to \$220 an acre.

Senator ECTON. Mr. Chairman, I do not think Mr. Goe's estimate is too far out of line, \$100 for leveled land without improvements and without equipment. Now, then, if a farmer goes on there and gives \$100 for 160 acres of land, that would be all he would be entitled to. By the time he put on improvements and had equipment to run it, he would have another \$100 investment; so that is \$200.

Senator KERR. Then he would not have to pay so much an acre for 40 years back to the Federal Government?

Senator ECTON. Yes. If it is 75, it would make it \$275.

Senator McFARLAND. But in the sale price that payment to the Government usually is not included. We just think about what it will sell for.

Senator WATKINS. When we ask a witness in a condemnation suit ordinarily for the market value of the land, that is what the land will sell for, the reasonable fair market value, taking into consideration all of the possibilities, debts against it, and everything of that sort.

Senator MILLER. That is very true.

Senator WATKINS. What I was trying to find out from this witness is what the raw land, with ditches on it and level—and by the way, if it is leveled the way I have seen some of it leveled, it is in much better shape than the way the ordinary farms have it. Most of the farmers have not done too good a job in the past—what that land would sell for on the open market without any obligations against it, the actual market value. If you want to take it and put it over on some of the land that is there—there must be some land that does not have buildings on it—what would that land sell for? As I understand it, ordinarily these witnesses are more or less expert men. They know their field pretty well. They would place a value on a piece of land. It is already there in that condition, and that is the way you get the market value, by land that is already sold in this particular location.

Now, this is raw land under cultivation, leveled like this. What would it sell for? I thought the answer was low, but if that is not the answer maybe we ought to get the answer.

Senator ECTON. If I wanted to make a living as an actual bona fide farmer, I certainly would not want to give them more than the value as placed on it by Mr. Goe. That is my own personal opinion.

Senator WATKINS. I would buy it as cheaply as I could buy it, for less than that, if I could get it.

Senator MILLER. In the first place, we must take into account that the witness here is not a realtor and I suppose he is not especially acquainted with land values. Now, you made a significant observation a moment ago, Senator Watkins, when you said in condemnation proceedings we require a certain class of proof as to the value of whatever is involved. That is true. In this particular instance, however, the thing I want to emphasize is that you have two separate and distinct values. This man is dealing with a commercial value, while the intrinsic value is being absolutely left behind and no one says anything about that.

The value of the land would not be predicated, insofar as this project is concerned, on what it would sell for to some transient who came along and wanted to buy a farm. The value of those lands is predicated upon the fact of some man going upon those premises to make his home. The values would be determined to a great extent upon the rate of interest, or what that farm will produce, so far as an investment in it is concerned. We have it all over the country.

Shortly after World War I, lands that sold at \$200 an acre were a better investment to the purchaser than lands at the present time at \$400 an acre. Why? Because then the money was worth an 8-cent rate, while now if he gets three he is in big luck, is that not true?

So the thing to take into account in this matter, and I quite agree with the Senator from Montana, is what is the intrinsic value of those lands, irrespective of what the commercial value might be by someone coming along to buy the same. I think he has put a pretty good value on that stuff for mountain lands, when it comes to the commercial value, without ever taking into account what the intrinsic value of it is.

Now, as stated by Senator Hunt, and I think that is true, if it will produce \$100 an acre, somebody tell us what the value of that land is? The assessed valuation does not amount to anything on those lands, any more than it does in any other western State, particularly. I know lands that you could not buy at the present moment for \$50,000 for 160 acres of land that are not assessed at more than \$300. There is plenty of it in my State. I know homes in the town I am living in probably selling for \$25,000, and would sell for \$25,000, but so far as the assessed valuation is concerned, it is not more than \$2,500 or \$3,000.

All those things must be taken into account. I make this observation for the simple reason that so far as I am concerned I think we have gotten off on a tangent.

The question is, what are we going to do with this bill, and not how much this land is worth. So far as I am concerned I am willing to vote for the bill.

Senator WATKINS. Mr. Chairman, we have not heard from the Bureau of Reclamation yet as to the physical features of the project.

Senator ANDERSON. Mr. Chairman.

The CHAIRMAN. Senator Anderson.

Senator ANDERSON. I think I can find out quickly whether I am going to vote for the bill or not.

You testified that the agricultural costs would be about \$400,000 in excess of what you have now spent, is that right? That under the terms of the law you are to put a certain amount against the land that you think it would carry?



Mr. GOE. That is right.

Senator ANDERSON. If you sell the land, the rights the Government has in it, it would probably bring the Government a substantial sum of money against that extra cost the Government is absorbing, is that right?

Mr. GOE. That is right.

Senator ANDERSON. The farmer will have a very low agricultural assessment when you get through, will he not? The agricultural assessment is bound to be low on 17,000 acres of land?

Mr. GOE. That is right.

Senator ANDERSON. Now, will the Department of the Interior tell me whether, when you get through spending \$3,135,000 on 17,500 acres of land, you plan to assess the farmer for agricultural benefits of about \$75 an acre?

Mr. LINEWEAVER. That is right, sir.

Senator ANDERSON. That is all. So if the farmer buys land he will spend maybe \$100 an acre to buy it; he will have maybe a \$75 debt against him. Would you regard that as a feasible project?

Mr. GOE. I think under the circumstances it is, yes, with that length of payment.

Senator ANDERSON. I would think so, too.

Senator WATKINS. Now, may I inquire what the \$75 takes in? Is that both the agricultural charges and reclamation charges?

Mr. LINEWEAVER. No, sir, that is the reclamation charge.

Senator WATKINS. What is the agricultural charge going to be? How much an acre are you going to charge if you spend \$1,340,000 to take care of this 8,500 acres of land that you say you are going to take care of and level up?

Mr. GOE. We have estimated we probably will recover from the operations of the Department \$373,000.

Senator WATKINS. \$373,000 out of an expenditure of \$1,340,000?

Mr. GOE. It must be borne in mind also, I think, that that money bears 3 percent interest. When the farmer makes the payments, if he utilizes the full 40-year repayment period amortized at 3 percent interest, for every \$1,000 that he pays on principal he is also paying about \$730 on interest. So when you get to figuring out what the annual payments are going to be, they increase pretty rapidly.

Senator MILLER. But of course he can pay that interest at any time he gets ready to do it, can he not?

Mr. GOE. If he has the money.

Senator MILLER. Yes; that is what I say.

Senator ANDERSON. I do not like that.

Senator KERR. This would figure out at \$50 an acre?

Senator ANDERSON. No; it would be \$20 an acre.

Senator WATKINS. Twenty dollars an acre, and how much do you figure it would cost an acre to do that for him?

Mr. GOE. It is going to cost about \$60 or \$70 an acre.

Senator WATKINS. It is going to cost \$70, and you charge him \$20. You are charging less than a third of what it costs to do the work.

Senator ANDERSON. Now, Mr. Chairman, they have overlooked a very essential financial part of this. The Government under the Carey Act, and if I am wrong please correct me on this, the Government gets title to certain pieces of ground from the State of Wyoming.

The CHAIRMAN. Under the Carey Act the Government gave the title to the State of Wyoming. The State is now giving it back.

Senator ANDERSON. Yes, but under the Wheeler-Case Act it now comes back. So the Government will have about 8,500 acres of land for sale.

The CHAIRMAN. That is right.

Senator ANDERSON. Now, when water is put on there with a contract that only requires the repayment of \$75 to Interior and \$20 to Agriculture, that land surely is worth \$100. If the Government gets \$100 for it, it is going to get back \$900,000.

Senator WATKINS. How much of the total expense is it going to get back?

Senator ANDERSON. It is going to get back \$900,000 in the sale of land as I see it, and \$353,000 in assessment. It will get back nearly all the money that Agriculture puts into it. Interior will write some off, but Interior writes something off on almost every project we have where power is not available.

Senator WATKINS. Let us find out from the witness. If you are intending to sell this land, are you going to sell it at the market value or are you going to—the \$20 you actually charge, and the rest is written off?

Mr. GOE. This is estimated at what would be the probable return. The policy with respect to these lands would be that they would be appraised and sell them at the normal market value at that time.

Senator WATKINS. The normal market value of the lands sold in the same condition in that particular territory; that is the program as I understand it?

Mr. GOE. That is pretty much the program.

Senator WATKINS. Are you prepared now to say that is the policy of the Department of Agriculture with respect to the sale of these lands?

Mr. GOE. The policy is to appraise the lands and sell them at their long-time value. We do not know what that is.

Senator WATKINS. Well, that is just exactly what I want to find out. It makes some difference in my mind whether it is an arbitrary figure fixed by the Department of Agriculture, or whether it is fixed on the market value of that particular place. By that I mean taking into consideration all these elements that enter into it.

Mr. GOE. It is not sold at the highest dollar of market value, if that is what you mean. It is sold to settlers and most of these settlers are veterans; but they get preference.

Senator WATKINS. But there will be a lot of veterans who will find out they are not so crazy about farming, as some of us found out. I tried it out on one of my veterans, and he will not farm at all. I gave him a farm.

Mr. GOE. We have at the present time about 150 applications on one project for thirty-odd farms.

Senator WATKINS. That is not this project?

Mr. GOE. No, that is not this project. The idea would be to sell those farms on the basis of which the farmer could make his annual payments.

Senator WATKINS. You have not been placing it on the market value?

Mr. GOE. Not at the current price.

Senator WATKINS. At the current price whenever you get them ready. That is what I am trying to find out. I am not trying to trap

you or anything. I am just trying to find out what the policy is going to be on the sale of those lands.

Mr. GOE. The policy would be to sell them within their earning capacity, not at the particular price at which a farm might sell for on this particular day. I think farms today would bring more money than an average 4-year price.

Senator WATKINS. I think that is true. It would not be fair to sell them as of today's value, because the value of farms, the market price has gone up on the basis of what they will yield. If you use the basis of what they will yield, that would probably be all right, because that would be pretty close to the market value.

Mr. GOE. That is the way we have been selling them and are selling them.

Senator WATKINS. Is that the policy?

Mr. GOE. Yes, sir, that is what we hope to do.

Senator WATKINS. Not only your hopes, but that would be the policy?

Mr. GOE. It is the policy, yes, sir.

The CHAIRMAN. Mr. Lineweaver, will you be good enough to make a statement for the Department of the Interior.

Senator KERR. Mr. Chairman, I want to ask three questions.

The CHAIRMAN. Very well, Senator Kerr.

Senator KERR. The veterans will have the privilege in buying the land?

Mr. GOE. That is right.

Senator KERR. It does not now produce anything? The lands are not now in production?

Mr. GOE. No; only for grazing purposes.

Senator KERR. And on the basis of the improvements they will be producing comparable crops with 75 to 80 bushels of oats per acre per year?

Mr. GOE. I think it would not average quite that much, although the record on that project is that they have yielded more than 100 bushels of oats up there.

Senator KERR. Your judgment is that it will do that from now on?

Mr. GOE. No; I would not say they would average that, but they will average a good deal above the United States average for oats and barley.

Senator KERR. Mr. Witness, I may be more optimistic than you are, but you are the man making the record.

What would you estimate they would produce in terms of annual production in some specific crop?

Mr. GOE. I think alfalfa hay will yield on the average two tons to the acre.

Senator KERR. Per year?

Mr. GOE. Per year. Barley will go 40 bushels to the acre on the whole project; probably oats 45 or 50 bushels on the average for the project.

Senator KERR. When it is put into cultivation it will do that as long as water is kept on it and cultivation is continued?

Mr. GOE. That is so, yes, sir.

Senator KERR. Do you think anybody can really estimate the value of that kind of a unit of production?

Mr. GOE. The farmer who purchases——



Senator KERR. I am not talking about the purchase price, I am talking about its value.

Mr. GOE. The value, as this gentleman here explained a little while ago, depends a little on the interest rate which they have to pay for the money.

Senator KERR. I am not trying to determine the value in terms of dollars. It has other value, has it not?

Mr. GOE. As a community asset, I would say it is pretty hard to place a value, and especially in this area. This particular little project is surrounded by millions of acres of cheap grazing land which probably is not worth \$1 an acre, that probably brings three, four, or five cents an acre for grazing purposes at the present time. The only method of harvesting the grass on this great grazing domain and the forest land out there is with livestock.

You need supplemental feed to carry some of that livestock through the winter, in addition to supplying the needs of the county seat towns, where there is a tremendous need for a development of this type.

Senator KERR. This meets the needs?

Mr. GOE. It meets the needs.

Senator KERR. Then it has a tremendous value, has it not?

Mr. GOE. I think anyone familiar with these little towns which spring up when an irrigation project springs up——

Senator KERR. Without discussing it, that answers the question?

Mr. GOE. Yes, sir.

The CHAIRMAN. Mr. Lineweaver.

#### STATEMENT OF GOODRICH W. LINEWEAVER, DIVISION OF OPERATIONS AND MAINTENANCE, BUREAU OF RECLAMATION

Mr. LINEWEAVER. Mr. Chairman, I will make a brief statement to close some of the gaps in the historical and financial statement.

The CHAIRMAN. May I say before you start, I expected that Congressman Barrett of Wyoming would be here before this. I talked with the Congressman about this bill this morning. He was unable to come at the opening of the session because of a meeting of the Public Lands Committee of the House dealing with other matters. He wanted it made clear for the record, however, that if he does not appear himself to make his record, that he would like to testify in support of this measure.

Proceed, please.

Mr. LINEWEAVER. Mr. Chairman, the position of the department has been as stated in the Secretary's letter of February 21, 1949, that it recommends enactment of S. 55. The description of the project, the acreage, and so forth, has been given to the committee. I will not repeat that.

One basis for the recommendation of the Secretary with respect to S. 55 is that the Eden project is about the last of the Wheeler-Case or WCU projects for which provision has not been made.

The principle set forth in S. 55 which the Department endorses was adopted by the Congress in the case of the Mancos project, which was reauthorized or authorized for completion a year or two ago. The Mancos project is in Colorado and is similar to this in a great many respects.

At that time the original obligation that the water users were to assume was increased 50 percent, and the repayment period extended from 40 years in the original authorization, to 60 years.

In this case we are proposing that the Congress adopt the same principle that was adopted in the case of the Mancos project.

The CHAIRMAN. Do you recall how much of the cost of the Mancos project percentagewise was reimbursable?

Mr. LINEWEAVER. Yes, sir. The original percentage of the Mancos project to be reimbursable was 40.7 percent. Under the legislation adopted, the amount reimbursable was 23.3 percent due to the increased cost of construction.

The CHAIRMAN. What is the reimbursable percentage on this project?

Mr. LINEWEAVER. Under the revised plan, the reimbursable amount would be 37.5 percent.

The CHAIRMAN. How does that compare with these other Wheeler-Case projects?

Mr. LINEWEAVER. That is a little higher than most of them.

The CHAIRMAN. That word "higher" makes me wince. You mean the Government gets back more, do you not?

Mr. LINEWEAVER. Yes. In one case, on the Newton project in Utah, which is a small project completed just about the time the war came on and which was not stopped, the amount we paid was 51.5 percent. That was the amount of the reimbursable obligation. That was higher than the average amount returned. That was due to the fact it was a small project and practically all of the area was under cultivation, but they needed supplemental water which was supplied by the Newton Dam.

If you would care to have a statement submitted for the record on this, a comparable statement, I would be glad to do it. On the Scofield project in Utah, due to increased costs, the amount reimbursable was 23.1 percent. That, as Senator Watkins pointed out, was just the construction of a dam. Costs went up there originally from six hundred and forty to nine hundred and thirty-four thousand. Most of these projects have increased even more than the Scofield project.

The CHAIRMAN. There is a possibility, is there not, that costs will go down from here on out?

Mr. LINEWEAVER. We hope so.

Senator WATKINS. As a matter of fact, it would be easier under present market conditions of produce to pay a higher return to the Government now than it would during the days when, for instance, the Newton project was built?

Mr. LINEWEAVER. That is right.

Senator WATKINS. That was built during the depression, as a depression project. The price on farm products produced on these projects has advanced two or three times over what it was in those days.

Mr. LINEWEAVER. Senator Watkins, you are familiar with the Newton area?

Senator WATKINS. It is a very rich territory.

Mr. LINEWEAVER. Yes, sir. They needed the supplemental water that was put there. I think Mr. Goe is familiar with it, and it is proving to be a very valuable project.

Senator WATKINS. May I say also in the Scofield project there was an element of flood control which you do not have on this present project.

Mr. LINEWEAVER. That is right; yes.

Senator WATKINS. A lot of it would be charged off there so that the reimbursable part would not be quite true in comparison with a project of this kind.

Mr. LINEWEAVER. In the matter of increase of the repayment period from 40 to 60 years, there was also a precedent for that which the Congress has fixed. I have a list of the projects where that has been done, if you would care to have that for the record.

The CHAIRMAN. I think it might be well to put that in the record.

Mr. LINEWEAVER. It is quite an extensive list, and I will not read it.

The CHAIRMAN. The original water conservation and utilization projects were listed in Senate Document No. 18 of the first session of the Seventy-seventh Congress.

Mr. LINEWEAVER. Yes, sir. Would you like to have that list inserted in the record?

The CHAIRMAN. I think that might very well be done.

(The list is as follows:)

STATEMENT ON PAY-OUT PERIOD FOR SELECTED RECLAMATION PROJECTS, MARCH 9, 1949

I. Projects with specific legislation authorizing length of pay-out period in excess of 40 years.

1. *Mancos project, Colorado*.—Public Law 109, Eightieth Congress, first session, approved by the President June 25, 1947, authorized pay-out period of 60 years.

2. *Paonia project, Colorado*.—Public Law 117, Eightieth Congress, first session, approved by the President June 25, 1947, authorized pay-out period of 68 years.

3. *Gila project, Arizona*.—Public Law 272, Eightieth Congress, first session, approved by the President July 30, 1947, authorized pay-out period of 60 years.

4. *Provo River project, Utah*.—Public Law 462, Eightieth Congress, second session, approved by the President March 29, 1948, authorized extension statutory 40-year pay-out period sufficient to return increased cost of project construction. It is estimated that a 60-year period will be required for the Provo River Water Users' Association and about 50 years for the Metropolitan water district of Salt Lake City.

5. *Yakima project, Kennecott division, Washington*.—Public Law 629, Eightieth Congress, second session, approved by the President June 12, 1948, authorized pay-out period of 66 years.

6. *Lewiston Orchards project, Idaho*.—Public Law 569, Seventy-ninth Congress, second session, approved by the President July 31, 1946, authorized pay-out period of 50 years.

7. *Preston Bench project, Idaho*.—Public Law 644, Eightieth Congress, second session, approved by the President June 15, 1948, authorized pay-out period of 74 years.

8. *Deschutes project, Oregon (Ochoco Dam)*.—Public Law 841, Eightieth Congress, second session, approved by the President June 29, 1948, authorizes emergency reconstruction Ochoco Dam, subject to allocations under section 7 of the Reclamation Project Act of 1939, and repayment reimbursable amounts under terms satisfactory to water users and Bureau of Reclamation. Negotiations have been completed with Ochoco irrigation district providing for pay-out period of approximately 60 years.

9. *North Platte project, Nebraska*.—Public Law 555, Eightieth Congress, second session, approved by the President May 25, 1948, authorized execution amendatory repayment contract with Northport irrigation district. Annual payments required under preceding contract, which began in 1926, were far beyond capacity of water users. Amendatory contract negotiated in 1948 provides that the district will pay the construction obligation of \$952,046, at the rate of \$3,500 annually, plus certain net revenues from power and other sources. Based on present level of net power revenues, total annual payments are expected to approximate \$9,000 annually, giving an additional pay-out period of 106 years. Total pay-out period



would thus be approximately 132 years from time first construction payments became due under previous contracts.

II. Pay-out period of Reclamation projects where water service contracts are negotiated under section 9 (e) and 9 (c) (2) of Reclamation Project Act of 1939.

1. *Santa Barbara project (Cachuma unit), California.*—Finding of feasibility approved by the Secretary of the Interior, and with the approval of the President, forwarded to the Congress March 24, 1948; published as House Document 587, Eightieth Congress, second session. Estimated pay-out period 50 years.

2. *Solano County project, California.*—Finding of feasibility approved by the Secretary of the Interior and, with the approval of the President, forwarded to the Congress January 28, 1949. Estimated pay-out period 50 years.

3. *Central Valley project, California.*—House Document No. 146, Eightieth Congress, first session, February 24, 1947, estimates that water service contracts to be negotiated under the provisions of section 9 (c) of the Reclamation Project Act of 1939 with irrigation districts will return in 55 to 60 years the costs assigned for repayment by irrigation. Irrigation water service contracts have been executed with the following districts:

- (a) Southern San Joaquin municipal utility district.
- (b) Lindsay-Strathmore irrigation district.
- (c) Lindmore irrigation district.

4. *Missouri River Basin project.*—Water service contracts, as authorized by the Reclamation Project Act of 1939, are also being negotiated with irrigation districts of the Missouri Basin project. For those contracts that have been negotiated, the estimated time required to return the cost assigned to irrigation for repayment by the water users is as follow :

- (a) Bostwick irrigation district, Nebraska—140 years.
- (b) Frenchman-Cambridge irrigation district, Nebraska—69 years.
- (c) Savage Irrigation district, Montana—73 years.

Where distribution systems are to be constructed in addition to water supply works, then additional repayment contracts are negotiated providing for the full repayment in 40 years of the cost of constructing the distribution systems—section 9 (d) of the Reclamation Project Act of 1939 authorizes this type of contract.

III. Following is a tabulation of repayment contracts which have been negotiated under authority of section 7 of the Reclamation Project Act of 1939. The proposed rates of payment have been computed on the basis of the water users' long-term ability to pay. The total pay-out period will exceed 40 years.

A. The following contracts have been approved by the Department, and accepted by the water users in regular elections as required by State laws. The contracts, together with appropriate drafts of legislation to authorize the Department to execute the contracts on behalf of the United States are now pending before the Bureau of the Budget for clearance prior to submittal to Congress for approval:

1. *Bitter Root irrigation district, Bitter Root project, Montana.*—(a) Payout under proposed repayment contract—43 years; (b) total pay-out period from 1937 when payments began under existing contract—55 years.

2. *Kittitas reclamation district, Yakima project, Washington.*—(a) Pay-out under proposed repayment contract—88 years; (b) total pay-out period from 1934 when payments began under existing contract—102 years.

3. *Shasta View irrigation district, Klamath project, California-Oregon.*—(a) Pay-out under proposed repayment contract—30 years; (b) total pay-out period from 1928 when first water delivered under existing contract—50 years.

4. *Uncompahgre Valley Water Users' Association, Uncompahgre project, Colorado.*—(a) Pay-out under proposed repayment contract—99 years; (b) total pay-out period from 1922 when payments began under existing contracts—125 years.

5. *Willwood irrigation district, Shoshone project, Wyoming.*—(a) Pay-out under proposed repayment contract, 60 years; (b) no existing contract, water delivered on water rental basis.

6. *Okanogan irrigation district, Okanogan project, Washington.*—(a) Pay-out under proposed repayment contract, 34 years; (b) total pay-out period from 1909 when payment began under public notice, 73 years.

B. Negotiations on the following contracts are about concluded. It is expected that these contracts will be in final form for presentation to the Bureau of the Budget for clearance in the near future prior to submittal to Congress for approval:

1. *Malta irrigation district, Milk River project, Montana.*—(a) Pay-out under proposed repayment contract, 193 years; (b) total pay-out period from 1932 when

payments were to have begun under existing contracts (no payments made until 1937), 209 years.

2. *Glasgow irrigation district, Milk River project, Montana.*—(a) Pay-out under proposed repayment contract, 153 years; (b) total pay-out period from 1932 when payments were to have begun under existing contracts (no payments made until 1937), 169 years.

3. *Vale, Oreg., irrigation district, Vale project, Oregon.*—(a) Pay-out under proposed repayment contract, 72 years; (b) total pay-out period from 1946 when first installment was due under existing contract, 75 years.

4. *Stanfield irrigation district, Umatilla project, Oregon.*—(a) Pay-out under proposed repayment contract, 185 years; (b) total pay-out period from 1935 when first installment became due under existing contract, about 200 years.

5. *Westland irrigation district, Umatilla project, Oregon.*—(a) Pay-out under proposed repayment contract, 278 years; (b) total pay-out period from 1932 when first installment became due under existing contract, 295 years.

6. *Frenchtown irrigation district, Frenchtown project, Montana.*—(a) Pay-out under proposed repayment contract, 44 years, (b) total pay-out period from 1940 when first installment became due under existing contract, 53 years.

7. *Deaver irrigation district, Shoshone project, Wyoming.*—(a) Pay-out under proposed repayment contract, 200 years; (b) total pay-out period from 1918 when payments began under public notice, 231 years.

8. *Belle Fourche irrigation district, Belle Fourche project, South Dakota.*—(a) Pay-out under proposed repayment contract, 75 years; (b) total pay-out period from 1909 when repayments began on an individual water right basis, 115 years.

IV. Status of project planning reports involving proposed projects where the repayment period required for the return of construction costs allocated to be repaid by water users is estimated to require more than 40 years:

A. Reports on which the Department is recommending early construction:

1. *Central Valley Basin.*—The estimated repayment period for this basin-wide project is 50 years. This report has been submitted to the Bureau of the Budget by the Department.

2. *Columbia River Basin.*—The repayment period estimated for this project is 50 years. This report has been presented to the Bureau of the Budget by the Department.

3. *Central Arizona project.*—It is estimated that this project would require a 78-year repayment period. This report has been presented recently to the Congress by the Department.

B. Reports on which the Department is not recommending early construction because of unfavorable economic circumstances:

1. *Nueces Basin project, Texas.*—It is estimated that more than 200 years will be required to retire the costs allocated to be repaid by irrigation water users on this proposed project. This report has been submitted to the Congress by the Department.

2. *Gooseberry project, Utah.*—Approximately 200 years would be required to return the construction cost allocated to be repaid by irrigation water users on this proposed project. This report has been submitted to the Congress by the Department.

3. *Snowflake project, Arizona.*—Approximately over 400 years would be required to return the construction cost allocated to be repaid by irrigation water users on this proposed project. This report has been submitted to the Congress by the Department.

4. *China Valley project, Arizona.*—It is estimated that the water users' payment ability on this proposed project would be sufficient only for an anticipated operation and maintenance cost with nothing available to be applied on the construction obligation. This report has been presented to the Congress by the Department.

5. *Emery County project, Utah.*—It is estimated that over 200 years would be required to return the construction cost allocated to be repaid by the irrigation water users on this project. The report has been completed, comments of the affected States have been received, and will soon be submitted to the Congress.

6. *Lyman project, Wyoming.*—It is estimated that approximately 152 years would be required to return the construction cost allocated to be repaid by irrigation water users on this proposed project. This report has been completed and will shortly be presented to the affected States for comment.

V. Repayment contracts under authority of the act of December 5, 1924.

Subsection F, section 4, of the act of December 5, 1924, provided for the repayment of construction charges on the basis of annual installments to be computed



as follows: "The installment of the construction charge per irrigable acre payable each year shall be 5 per centum of the average gross annual acre income for the ten calendar years first preceeding \* \* \*. These annual payments shall continue until the total construction charge against each unit is paid."

It will be noted that this act did not require pay-out within any prescribed term of years. Length of pay-out determined by the amount of gross income per acre realized over the years on the project.

This 5-percent plan of payment was repealed by section 47 of the act of May 25, 1926. During its short life repayment contracts using the 5-percent plan of payment were executed with 21 water user organizations. A list of those contracts with estimated payment period follows (payments subsequent to 1946 based on average farm prices prevailing for period 1939-44):

	<i>Years</i>
Boise project, Idaho:	
Big Bend irrigation district.....	66
Black Canyon irrigation district.....	37
Boise-Kuna irrigation district.....	59
Nampa and Meridian irrigation district.....	42
New York irrigation district.....	30
Wilder irrigation district.....	49
Lower Yellowstone project, Montana:	
Lower Yellowstone irrigation district No. 1.....	54
Lower Yellowstone irrigation district No. 2.....	54
Minidoka project, Idaho: Burley irrigation district.....	50
North Platte project, Nebraska and Wyoming:	
Goshen irrigation district.....	79
Gering and Fort Laramie irrigation district.....	75
Pathfinder irrigation district.....	84
Shoshone project, Wyoming:	
Deaver irrigation district.....	97
Shoshone irrigation district.....	71
Strawberry Valley project, Utah:	
Highline division.....	98
Spanish Fork division.....	
Sun River project, Montana:	
Fort Shaw irrigation district.....	61
Greenfields irrigation district.....	82
Umatilla project, Oregon:	
West Extension irrigation district.....	78
Hermiston irrigation district.....	94
Yakima project, Washington: Kittitas reclamation district.....	82

Mr. LINEWEAVER. Now, as to the matter of finances, the Department has felt it was committed to the completion of the Eden project, and has so recommended. In the 1947 appropriation act the Budget Bureau recommended funds for the completion of both the Mancos and the Eden projects. They recommended some \$3,000,000. It was then anticipated that would be sufficient at the then estimated cost. But when the costs were reviewed under the revived projects, it was found those amounts were inadequate, and we so reported to the Congress. That led to the introduction and passage of the Mancos bill.

In that appropriation some \$2,040,000 was earmarked for the Eden project. There now remains, as a result of a congressional appropriation of \$126,000 for the Buford-Trenton project and allocations of small amounts to other projects, about \$1,493,296 available. I should state, however, that the President, at the time of the snow-relief demands, directed the Secretary of the Interior to transfer \$900,000 from funds available to the Bureau of Land Management for the emergency snow-control work.

We have submitted to the Bureau of the Budget, and we understand the Bureau of the Budget will send down, an estimate to replace that \$900,000, which would make \$1,493,296 available to begin construction of the Eden project.

If you would like to have a brief description of the physical lay-out of this project, either for the record or verbally, Mr. Dominy is prepared to give you that.

The CHAIRMAN. Mr. Dominy has examined the project. You have been on it, have you not?

Mr. DOMINY. Yes, sir.

The CHAIRMAN. I think it would be well for you to give us that.

Senator DOWNEY. Mr. Chairman, I have to withdraw. I would like to make this statement before I do, if I may.

Because of the fact that this is a Wheeler-Case project with the history and the incident that that means, I will vote in support of the measure, although I do it with some reluctance considering the high cost of production compared with the market value of the land after it is produced.

As far as I am concerned, I would not want it considered I have made any precedent for myself concerning similar projects from now on. This is one of the few remaining projects of its type, and I do think, in good faith to the State and to the people, we ought to complete it.

I understand the chairman will not desire to go ahead with the central Arizona project?

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. Now, may we conclude the testimony with Mr. Dominy.

#### STATEMENT OF FLOYD DOMINY, CHIEF OF DIVISION OF ALLOCATION AND REPAYMENT, BUREAU OF RECLAMATION

Mr. DOMINY. Mr. Chairman, I am Floyd E. Dominy, Chief of the Allocation and Repayment Division in the Branch of Operation and Maintenance for the Bureau of Reclamation. The original Eden project plan, as authorized and on which construction started in 1941, envisioned the development of supplemental water supply, drainage, and realinement of laterals and distribution system for the existing 9,000 acres of irrigable land already under operation and being farmed in the valley; the extension of the main canals to serve the additional 11,000 acres visualized in the 20,000-acre project.

That plan involved the abandonment entirely of the present Eden Reservoir, which was built under the Carey Act and which has served the 9,000 acres for a number of years. It involved the construction of a 35,000-acre-foot-capacity Big Sandy Reservoir on Big Sandy Creek. This would then supply the water necessary for the existing irrigated lands, as well as the new lands of the project.

This bill, if enacted, authorizes specifically that the Secretary of the Interior may revise that plan to complete the project in the most economical manner feasible under present construction costs and economic conditions.

Senator WATKINS. You mean under this bill?

Mr. DOMINY. This bill. What we have been talking about today is a revised plan which Regional Director Larson and his engineers have come up with, following investigations of a very detailed nature during the past 12 months.

Senator McFARLAND. Mr. Chairman, if I might interrupt. This is off the record.



(Discussion off the record.)

The CHAIRMAN. We will proceed.

Mr. DOMINY. Under this revised plan we do not propose to build the Big Sandy Reservoir. Additional investigations have proved to the satisfaction of our engineers that the existing dikes on the existing Eden Reservoir can be widened and raised by 4 feet, increasing the storage capacity from the 17,600 acre-feet in the present Eden Reservoir to an amount sufficient to irrigate 17,500 acres, with an acre-foot capacity from those rehabilitated dikes and reservoirs amounting to 22,500 acre-feet.

Senator WATKINS. How much is that per acre? Is this a supplemental water right, may I ask?

Mr. DOMINY. There is no question of water rights in this case.

Senator WATKINS. Is it a supplemental water right, or is it a direct primary right created by this project?

Mr. DOMINY. They have had a direct right under the old Carey Act for these lands for a long time. Is that right, Mr. Goe?

Mr. GOE. That is right.

Mr. DOMINY. Under this WCU authorization, the rights of the original Carey Act investors were bought out by the United States.

Senator WATKINS. The United States owns the rights now?

Mr. DOMINY. The United States owns the rights. They actually bought the Eden Reservoir and the lateral system for the marked-down price of \$150,000. It was bought with Wyoming Rehabilitation Corp. money.

Senator WATKINS. They bought the lands from the farmers?

Mr. DOMINY. From the private investors.

Senator WATKINS. But under the Carey Act it was a group of private owners?

Mr. DOMINY. That is right.

Senator WATKINS. That was what I wanted to find out.

Mr. DOMINY. And for the marked-down price of \$150,000 the Department of Agriculture bought up the Eden Reservoir, the laterals, and the distribution system. So the rights now belong to the United States with respect to those existing facilities.

By this revised plan we would continue to divert the Big Sandy Creek and Little Sandy Creek waters into the present Eden Reservoir.

Senator WATKINS. What is the acre-foot capacity there?

Mr. DOMINY. By raising it 4 feet, we would increase the capacity to 22,500 acre-feet.

Senator WATKINS. And that is to take care of the 17,500 acres of land?

Mr. DOMINY. That is right.

Senator WATKINS. That is just a little over an acre-foot per acre; that is the storage capacity?

Mr. DOMINY. The storage; yes.

Senator WATKINS. There is some direct flow?

Mr. DOMINY. Yes; there is a lot of direct flow that comes down in the same fashion. In other words, with this storage of 22,000 acre-feet, Senator O'Mahoney, our engineers and our hydrologists estimate there is  $3\frac{1}{2}$  acre-feet of water available for diversion to each acre of the 17,500 acres.

Senator WATKINS. In other words, by diversion you would use  $3\frac{1}{2}$  acre-feet, and then you would use a little over another acre-foot from storage?

Mr. DOMINY. No; three and a half total—the storage plus direct flow. Even in the dry years they estimate there will be  $3\frac{1}{2}$  acre-feet available for diversion. That does not mean that much is going to be applied to land, because there are losses, as you well know.

Senator WATKINS. I understand, but what is the duty of water?

Mr. DOMINY. About 1.29.

Senator WATKINS. Well, then, you have an oversupply there, and that is unusual.

Mr. DOMINY. Well, there are heavy losses, as is true on most irrigation projects.

Senator WATKINS. Is that because of the nature of the ground?

Mr. DOMINY. The regular transpiration losses, seepage losses, and the carriage and application of that water. You will find on most irrigation projects, from the point of diversion to the actual putting of it onto the fields, you frequently do not get more than about a third of what you diverted from its original watercourse actually applied to the acre of land.

Senator WATKINS. Two-thirds? That is unusual.

Mr. DOMINY. Not unusual at all, Senator Watkins.

Senator WATKINS. That may be right. I happen to know of some that run pretty high, but I did not know it ran that high.

Mr. DOMINY. In any event, what I want to make plain in the testimony is that, by our revised plan here, we feel assured there is adequate water for 17,500 acres.

Senator WATKINS. I would say, if you got that amount of water, that is more than enough. The question of losses there ought to be looked into. With over  $3\frac{1}{2}$  acre-feet per acre—and it gets down to what, 1.29?

Mr. DOMINY. We estimate the duty of water at 1.29.

May I say that the existing lands, the 9,000 acres need this project fully as much as the new lands that would be developed.

Senator WATKINS. That is the land in private ownership now?

Mr. DOMINY. The lands in private ownership now need this project very, very seriously for the drainage aspect, first of all.

Senator WATKINS. Do you have drains included in this?

Mr. DOMINY. The drains are included in our estimates.

Senator WATKINS. Costructed drains?

Mr. DOMINY. Yes; constructed drains, the complete drainage area, 9,000 acres, plus the new area.

Senator WATKINS. Is it river bottom land that has to be drained?

Mr. DOMINY. It is not river bottom land, sir. The land is underlain from 6 to 12 feet down with an impermeable substance which does not let the irrigating water get away.

Senator WATKINS. In other words, it is the irrigating water that causes the necessity for drainage?

Mr. DOMINY. That is right. Of course, the land in its natural state did not look like it needed drainage. When the Carey Act project was passed there were no drains provided. From our experience, as actually applied to the land, because of this rather deep impermeable substance it has taken years for it to accumulate. But the drainage matter now is of prime consideration.

We discussed this with Mr. Goe last year. He mentioned the seriousness of the present lands, that if these drains were not put in very soon, a good deal of the 9,000 acres would have to go out of production.

So in addition to the new land aspects here the additional 9,000 acres need this project very badly. As I say, this plan includes the revision and improvement of their lateral system, as well as drainage and firming up their water supply by making these dikes which are somewhat precarious now. There is some seepage through them, and they are considered to be somewhat risky. This plan, of course, would rehabilitate the existing Eden Reservoir, make it safe, and increase the storage capacity therein.

Senator WATKINS. You have abandoned the idea of making it so much larger as you originally had it?

Mr. DOMINY. We have abandoned the idea of building the Big Sandy Dam which has a separate structure entirely, until such time as you can justify importing water into this basin for additional land in this general area. In other words, that is entirely separate from the Eden project we are talking about here.

There may be at some time justification for building Big Sandy Dam to store water imported from Pacific Peak and other streams flowing into the Green River and above Big Sandy which would give us another chunk of about 40,000 acres of irrigable land in this general area.

Senator WATKINS. This is just a practical suggestion. I know it came up in connection with our own project in Utah. If you are losing two-thirds of your water on this project, wouldn't that be worth investigating to see what you could do in saving that two-thirds now lost?

Mr. DOMINY. That certainly will be considered. It will be used in return flow for additional projects down the stem, if that is feasible.

Senator WATKINS. The theory of the contract you are proposing under this bill is to have the farmers repay that amount which, in your judgment, they can repay as a matter of economics?

Mr. DOMINY. That is right, sir.

Senator WATKINS. Using the same measuring stick you use for other projects before you decide the feasibility?

Mr. DOMINY. That is right, Senator Watkins. We have used the economic period 1939 to 1944, where the price index for agricultural products ran at 144 and the price index for things they bought ran at 144. That happened to be one of the brief periods when we were at parity.

We estimated that period as the most reasonable estimate, considering everything, and that prices for agricultural products might be expected to level off and repay over a 50- or 60-year repayment period.

Senator WATKINS. But you do not think when it comes to cost that that would be based on a high-cost period?

Mr. DOMINY. That is unfortunately the case. The contractor with whom we deal will not take an average.

Senator WATKINS. That may not be a fatal objection to the bill, or anything of that sort. I am simply pointing out to you that you are constructing at an all-time high cost and taking your measure of ability to repay from a lower cost. Maybe that is the just thing to do. I am just calling that to your attention.

Senator KERR. If I may interrupt. When do you think Mr. Chairman, as a member of the committee, I will have an opportunity to vote for the bill?

The CHAIRMAN. I think we will finish this testimony before very long.



Senator KERR. You are aware of the fact that we have a quorum call?

The CHAIRMAN. Yes. Off the record.

(Discussion off the record.)

Senator WATKINS. I do not want to unduly prolong this, Mr. Chairman, but I do want to find out the measuring sticks used here and if they are the general ones I want to know if those are the ones that are going to be used on other reclamation projects in other States.

Mr. DOMINY. Yes.

Senator WATKINS. I will say to you, now we have one or two in Utah that I want revised. They are going to be in here with a proposal to the Bureau of Reclamation to revise the repayment costs possibly downward and to extend the time.

Mr. DOMINY. That is the yardstick we are using, Senator Watkins, in reviewing amendatory repayment contracts in your State, as well as new projects for your State.

Senator WATKINS. In the view of most of the Senators this seemed to be one of those projects that was an exception to the general reclamation law. I wanted to find out whether you were going to use some of the same measuring sticks, that is, the ability to pay that would be used in an ordinary reclamation project. Of course you realize on this project you do not have anything you can charge off to flood control, as I understand it, or to wildlife conservation.

Mr. DOMINY. We have made no detailed investigation of allocation of costs to other uses. This is an off-stream reservoir and would have a very limited capacity. It would therefore have a very limited application in flood control. However; when it comes to fish and wildlife and recreational benefits I can see that you might find a little—

Senator WATKINS. But you have not made any allocation?

Mr. DOMINY. We have not.

Senator WATKINS. A year ago I suggested that very thing to some of the reclamation people on this project; that it would look a lot better to the Congress if there were features of that kind where some of this could be charged where it should be charged, rather than to let it go as though you were writing all this off as something out of which the public would not benefit.

Mr. DOMINY. If this were coming to your committee, Mr. Chairman, as a new project planning report all of these things would have been measured and would have been part of the record that the Bureau of Reclamation placed before you.

We have not considered the Eden project as a new authorization or a new start. The record indicates clearly that it is not such. It had been authorized. It was actually put under way. Through the influence and effect of the war, construction was terminated. It was only one of several on which construction was terminated at that time. But it happened to be a little less far along than Buford-Trenton, Mirage Flats, Buffalo Rapids, and a host of others. So the War Production Board freed all the others to go ahead under the congressional act of 1943, which amended section 5 and proved that appropriated funds could be nonreimbursable to complete those projects, in spite of the increased costs.

Eden was not among those that got that blessing and neither was Mancos nor Angostura. They were the only three of the original group actually authorized, with the plan completed and construction work



under way. Mancos got special legislation, very identical in character to S. 55 for Eden.

Senator WATKINS. For some reason or other that was never drawn to my attention. I was a member of the Reclamation Committee but I never heard of it until it was mentioned by Senator O'Mahoney after it had been done. I certainly would want to look into it to see just what we are doing about this because I think it is very important that we follow this program.

One question I would like to get the answer to is the reimbursable portion you are now going to require under the bill from these land-owners. Is that the same or more than would have been required in the original contract under the Wheeler-Case Act?

Mr. DOMINY. Yes; it is 50 percent more in total but it is no more in annual installment.

Senator WATKINS. Is it as much?

Mr. DOMINY. Yes; it is the same.

Senator WATKINS. Considering their ability at the present time, with higher prices, is it proportionate to what it was the day it was authorized?

Mr. DOMINY. On the original basis they were to pay back in 40 years. We are keeping the annual charges the same.

Senator WATKINS. And giving them 60 years?

Mr. DOMINY. Giving them 60 years.

Senator WATKINS. Which, of course, is quite a subsidy.

Mr. DOMINY. Yes, indeed.

Senator WATKINS. But what is the amount, in proportion to the cost, that they are to repay as compared to the amount they were originally to repay, in proportion to the cost.

Mr. DOMINY. I get your question now. I missed it a little while ago. The percentage now, so far as the reclamation cost is concerned, is that they are going to be repaying about 37.5 of the cost. Under the originally authorized plan in 1940 the reclamation cost was estimated at \$2,000,000. The water users were to pay them \$1,045,000, so it was 51 percent they were going to repay of reclamation cost, under the original plan.

Senator WATKINS. Now they are paying what?

Mr. DOMINY. They are paying about 37.5 percent under this plan. Now, on the Mancos——

Senator WATKINS. Let us forget the Mancos for a moment and just suppose there was not such a project. Do you believe that under present conditions we should give them a better deal now than we did then? In other words, then they had to pay 51 percent of the cost and now, with the increased prices of farm products, ability to pay and everything, it is reduced to 37.5 percent.

Mr. DOMINY. Costs have risen substantially.

Senator WATKINS. We understand that, and of course their income has risen relatively, has it not?

Mr. DOMINY. That is true. If we started construction this spring this project would not be ready to put those people on the land for 4 years.

Senator WATKINS. That is right.

Mr. DOMINY. Neither you nor I can say what agricultural prices are going to be then.

Senator WATKINS. But we do know what construction prices are going to be, because if we start in right now they are at an all-time high, are they not, nearly 200 percent and in some cases even 400 percent over what they were?

Mr. DOMINY. Yes; the cost index is high.

Senator WATKINS. Would you say about 400 percent? That is the way it worked out at Salt Lake City on the aqueduct contracts.

Mr. DOMINY. I do not think they have gone quite that high.

Senator WATKINS. Prewar as compared with the present?

Mr. DOMINY. On this particular project, if we were to build the Big Sandy Dam today and do the other work exactly as planned, it would cost \$4,667,000. Our original cost estimate was \$2,045,000.

Senator WATKINS. Under the revised report of the regional director I notice it brings the total estimated capital cost to \$3,135,000.

Mr. DOMINY. That is right, that is for the revised plan.

Senator WATKINS. May I ask one further question. Are the recommendations of the director of the regional office on the record with respect to this present bill?

Mr. DOMINY. Yes, sir.

Senator WATKINS. He is in full accord with the program you have presented Congress?

Mr. DOMINY. This bill gives the authority to revise and construct the plan in accordance with the Secretary's judgment.

Senator WATKINS. But I mean, is this his recommendation? I do not know what it was.

Mr. DOMINY. Yes; the 17,500 acre plan.

Senator WATKINS. But the repayment program and all, is that the recommendation of the regional director?

Mr. DOMINY. Yes.

Senator WATKINS. The whole program you now present is in full accord with what Mr. Larson, the regional director, recommended to the department?

Mr. DOMINY. It is my judgment, sir, that this report—which, incidentally, we have furnished you—while at the moment it is not the official departmental report, has been cleared through the necessary channels.

Senator WATKINS. But it is the report of the regional director?

Mr. DOMINY. It is the report of the regional director and it is my judgment the testimony we have given here this morning, the department report on S. 55, is in full accord with the statements and recommendations set forth in the regional directors' report.

Senator WATKINS. Just one other observation then I am through, Mr. Chairman. When I come in with those Utah projects I want you to remember I would like the same proportional cut, from 51 down to 37. Maybe I will accomplish what I want by this investigation.

I have no further questions, Mr. Chairman.

The CHAIRMAN. Is there any additional statement you think ought to be made, Mr. Dominy?

Mr. DOMINY. I would be pleased to answer any and all questions that come up, to the best of my ability, Mr. Chairman, but I think that concludes my statement.

The CHAIRMAN. You referred to Mr. Larson, did you not?

Mr. DOMINY. Yes, sir.

The CHAIRMAN. Did he go over this project with you?

Mr. DOMINY. He and I did not go up there together but he has been on it many times. He is fully familiar with this revised plan. I talked to him personally in Salt Lake in November at the time he was bringing this into final shape. He was quite enthusiastic about the prospect of getting a very good project for the 17,500 acres. He was a little regretful that he could not come up with a plan that would cover the 20,000 acres, but he was very, very pleased.

The CHAIRMAN. In other words, the Bureau has made a thorough investigation?

Mr. DOMINY. That is right, sir.

The CHAIRMAN. I have no additional questions.

Mr. LINEWEAVER, do you have anything to add?

Mr. LINEWEAVER. Mr. Chairman, in view of the discussion with respect to the land leveling of the project I would like to submit for the record just a brief statement as to what we are doing with respect to that, why we are doing it and some general thoughts.

The CHAIRMAN. That is on the general subject, is it not?

Mr. LINEWEAVER. Yes.

The CHAIRMAN. Why do you not put that in the appropriation committee statement? I would be very glad to have the statement for this committee, of course.

Mr. LINEWEAVER. The only thing was that Senator Anderson had asked about it.

The CHAIRMAN. Very well. Suppose you prepare the statement.

Mr. LINEWEAVER. I will use it in the appropriation committee hearing.

Senator WATKINS. Mr. Chairman, while these gentlemen are here, if they are going to put that statement in, I would like to remind them that out in Utah we have probably a million and a half acres of ground which, if it gets the same treatment you are according to this Eden project in Wyoming, would all be feasible for improvement. I refer to the Uintah Basin. Some of that land is pretty good land but it cannot justify the cost per acre that would come under a regular project, even after you make allowances for flood control, power, and all the rest of it.

So I want you to keep that in mind as to anything we propose for the Uintah Basin in Utah. We would like the same kind of treatment on a subsidy basis, on the ability of the farmers to pay, that has been given in this instance.

Mr. LINEWEAVER. Senator Watkins, may I make this observation: This has been an evolutionary process. In the Missouri Basin legislation of 1944 the ability to pay was fixed for the first time as the criterion for the reimbursable amount.

Senator WATKINS. The original program was for 20 years without interest.

Mr. LINEWEAVER. It originally started out with 10.

Senator WATKINS. Well, 10, then 20, then 40, and now the sky is the limit.

Mr. LINEWEAVER. It is the ability to repay. Congress very clearly indicated in the Missouri River Basin project the ability to repay was the criterion, rather than a fixed number of years. We felt that was part of this evolutionary process with respect to repayment. Also, that the returns cannot be figured on just exactly what the water user does repay.



Intrinsic value, which Senator Miller very ably spoke of, has to be taken into consideration. You just cannot figure the amount in dollars and cents and tie it down to this immediate project or this immediate water use.

Senator WATKINS. As I get it, it is your idea, and that is the thing being advocated here, that ability to repay will largely be the measuring stick from here on, even as to the feasibility of some of these projects? We have two or three in Utah. I call your attention to the Joe's Valley project in Emery County. It has been regarded by the regional people in Utah as not being feasible. Those people would like that project and if we get this same kind of measure on it, it can be built. They could pay all that could be justified economically, the so-called intrinsic values could make up the difference, and there we go.

Mr. LINEWEAVER. We are constantly at work on calculating these intrinsic values with the idea of demonstrating that there is something more in return to the Federal Government than just simply what the user can repay.

Senator WATKINS. I understand that. I wanted to get that in concrete form. Here we have a good example.

Mr. LINEWEAVER. Yes, sir. I think there are a number of projects, those you mention in Utah and a number of others, that could very well be developed where the return to the Federal treasury would be far more than actually what the water users could repay.

Senator WATKINS. I have nothing further, Mr. Chairman.

The CHAIRMAN. I must state for the record that Congressman Frank Barrett of Wyoming sent word that the meeting of the House committee has made it impossible for him to appear here, much to his regret. The Chair will take note of his absence and without objection a written statement from Congressman Barrett will be incorporated in the record.

(The document above referred to is as follows:)

#### STATEMENT OF FRANK A. BARRETT, OF WYOMING

I am pleased with the opportunity to testify in support of S. 55 which would provide the basis for completion of the Eden project, Wyoming, on which construction was undertaken initially by the United States nearly 10 years ago.

The Eden project, as authorized by the President in 1940 as a Great Plains project under the authority of the Interior Department Appropriation Act of 1940, involved the construction of irrigation facilities to serve approximately 20,000 acres; 10,000 of which are in private ownership, the remaining 10,000 being public land at one time patented to the State of Wyoming for irrigation development under the Carey Act, the title of which has been reconveyed to the United States by Public Law 131.

The original authorized project plan involved the construction of the irrigation facilities by the Bureau of Reclamation and the development and settlement of the project lands by the Department of Agriculture. The irrigation construction authorized included the following items:

(a) Construction of the Big Sandy Dam with storage capacity of 35,000 acre-feet;

(b) Enlargement and extension of the Eden main canal to provide capacity to serve the 10,000 acres of public land;

(c) Rehabilitation and extension of the existing lateral system to serve the total project area; and

(d) Construction of a drainage system for the project area.

Actual construction work was commenced by the Bureau of Reclamation on the Big Sandy Dam in the summer of 1941. With the dam but 16 percent complete and no work having been started on the other authorized irrigation facilities,



construction by the Bureau on the Eden project was terminated by order of the War Production Board in December 1942.

Meanwhile, in accordance with the plan of development, the Department of Agriculture had purchased the rights to the existing Eden Reservoir and canal system and had taken over the operation of the project. The Secretary of Agriculture, through the Soil Conservation Service, has continued to operate the project, and has been furnishing equipment on a rental basis and giving technical assistance to the private operators on the area of the project now irrigated in leveling and generally improving the farm irrigation system.

S. 55, if enacted, would provide the necessary authorization to permit the Bureau of Reclamation to complete the construction of the irrigation facilities as originally planned or with such modification as the Secretary of the Interior may find will result in greater engineering and economic feasibility. I am advised by the Bureau of Reclamation that to complete the construction of the irrigation facilities, as outlined in the original project plan, would cost at today's prices approximately \$4,667,000. I understand that the Bureau of Reclamation has been reexamining the water supply situation and alternative plans of development in an effort to find a plan that will result in less cost per acre served.

I also understand that a substantial amount of construction funds earmarked for the Eden project are available from previous appropriations and that actual work can begin promptly when the project is reauthorized.

The people of my State are noted for their patience. They have waited a long time for the United States to complete the Eden project. It is not a big project when compared with the reclamation program generally. But it is of real significance to Sweetwater County and to two of our leading mining and railroad centers, namely, Green River and Rock Springs. There is a ready market in those towns for greatly increased quantities of dairy products, eggs, vegetables, and other commodities that will be produced on the Eden project when completed. In addition, the project development will be of great benefit to the adjacent range areas. All grains and hay produced on the Eden project will have a ready market in the immediate vicinity to help carry the range herds through the winter.

I strongly urge the early enactment of this bill so that construction of this project can again get under way and be brought to conclusion as expeditiously as possible.

The CHAIRMAN. I observe the postmaster of Salt Lake City here. Would you care to testify about this project, Mr. Smoot?

Mr. SMOOT. Senator, I think you are very well represented here. I think the junior Senator from Utah, Mr. Watkins, is doing a fine job. I did not know the subject was before your group this morning, but I have been very much interested in this discussion. I think he is very able to take care of all our needs out in Utah. Thank you very much, Senator.

Senator WATKINS. I thank you, Mr. Smoot. I have known Mr. Smoot for many years. We do not happen to belong to the same political party but that is particularly impressive to me.

Mr. SMOOT. I think that is quite a compliment.

Senator WATKINS. I think I can return the same to Mr. Smoot. I have a very high regard for him.

The CHAIRMAN. The hearing is closed.

(Whereupon, at 12:20 p. m., the hearing was closed.)









AUTHORIZING COMPLETION OF CONSTRUCTION AND  
DEVELOPMENT OF THE EDEN PROJECT, WYOMING

APRIL 27 (legislative day, APRIL 11), 1949.—Ordered to be printed

Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs,  
submitted the following

## REPORT

[To accompany S. 55]

The Senate Committee on Interior and Insular Affairs, to whom was referred the bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming, having considered the same, report favorably thereon with the following amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 2, line 1, after the word "*Provided*," strike the remainder of section 1 and insert in lieu thereof:

That of the construction costs of the irrigation features of the project not less than \$1,500,000 for the project of twenty thousand irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users in not to exceed sixty years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin shall be charged when such plants are constructed.

Page 2, line 21, after the words, "*Provided, however*," strike the remainder of section 2 and insert in lieu thereof:

That the total reimbursable cost of the land development and settlement features of the project shall be not less than \$373,000 for the project of twenty thousand irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

## PURPOSE OF THE BILL

The purpose of this bill is to provide the necessary authorization to permit the Bureau of Reclamation to complete the construction of

the irrigation facilities of the Eden project, Wyoming, as originally authorized by the President as a Great Plains project on September 18, 1940, or with such modification as the Secretary of the Interior may find will result in greater engineering and economic feasibility. The bill also authorizes the Secretary of Agriculture to complete the land-development and settlement features of the project in accordance with the general plan approved by the President in 1940.

#### HISTORY OF EDEN PROJECT

The Eden project as authorized by the President involved the construction of irrigation facilities to serve (1) approximately 9,000 acres of privately owned land at present irrigated but in need of drainage and improved storage and water supply facilities, and (2) approximately 1,000 acres in private ownership that is irrigable but not at present being irrigated, and (3) approximately 10,000 acres of public land formerly patented to the State of Wyoming for irrigation development under the Carey Act. Public Law 131, Seventy-seventh Congress, first session, approved June 25, 1941, authorized the Secretary of Agriculture to accept reconveyance of those lands on behalf of the United States. Thereafter the State of Wyoming reconveyed title to the latter 10,000 acres and they are now under jurisdiction of the Secretary of Agriculture for irrigation development and settlement under the Eden project as authorized.

The authorized project plan involved the construction of the following irrigation facilities by the Bureau of Reclamation:

(a) Construction of Big Sandy Dam with a storage capacity of 35,000 acre-feet.

(b) Enlargement of the 20-mile long main Eden canal to provide capacity to serve the additional 10,000 acres of public land.

(c) Rehabilitation and extension of the existing lateral system to serve the total project area of approximately 20,000 acres.

(d) Construction of a drainage system for the 20,000 acres.

(e) Construction of necessary ditches to recover drainage and return flow water for reuse on the project.

In addition, the project plan authorized the Secretary of Agriculture to conduct a land-development program, determine appropriate size of farm unit, arrange for settlement, negotiate arrangement for recovery of reimbursable costs, and to operate the project.

The cost estimates for the project and reimbursable amounts on which the original authorization was made were:

	Estimated total cost	Appropriated funds (reimbursable)	WPA and CCC funds (nonreimbursable)
Bureau of Reclamation (for construction of irrigation facilities) -	\$2,045,000	\$1,000,000	\$1,045,000
Department of Agriculture (for development and settlement) -	425,000	200,000	225,000

The Bureau of Reclamation started construction of the Big Sandy Dam, the main feature of the project, in July 1941. Construction was terminated by order of the War Production Board in December 1942. When construction terminated the Big Sandy Dam was

approximately 16 percent complete, and no work had been started on the other irrigation facilities required.

Meanwhile, the existing Eden reservoir and canal system had been taken over for operation by the Department of Agriculture in accordance with the authorized project plan. Furthermore, the Department of Agriculture had started some land-leveling and development work on the private land area of the project already under irrigation. Approximately only 10 percent of the project development and settlement work proposed to be carried out by the Department of Agriculture had been completed when the War Production Board stop order was issued.

The War Production stop order issued in December 1942 affected not only the Eden project, Wyoming, but a number of other Great Plains and water-conservation and utilization projects throughout the arid and semiarid areas of the West. A later ruling from the War Production Board permitted construction to continue on all those projects except the Eden project, Wyoming; Maneos project, Colorado; and the Angostura project, South Dakota. Permission was not granted by the War Production Board to continue the construction of these three projects because only a small percent of the total construction program had been completed at the start of the war. All of the other Great Plains and WCU projects, being well under way at the start of the war, were approved by the War Production Board as important to be completed as a source of needed food and fiber; and construction was permitted to continue.

Since the cessation of hostilities Congress has authorized the completion of the irrigation construction on the Maneos project (Public Law 109, 80th Cong., 1st sess.), and on the Angostura project (now a unit of the Missouri Basin project). Thus, only the Eden project of all the Great Plains and WCU projects which had been approved and were actually under construction at the start of the war has not been reactivated.

#### NECESSITY FOR LEGISLATION

At the time the Eden project was originally authorized as a Great Plains project, it was expected that labor and facilities would be contributed by the Civilian Conservation Corps and the Work Projects Administration to the value of \$1,270,000, and that the balance of the estimated cost (\$1,200,000) would be appropriated by the Congress and repaid by the water users.

The total cost of the Eden project for construction of the irrigation facilities as originally planned and for the development and settlement of the project of 20,000 irrigable acres is now estimated at \$6,198,000. A reauthorization of the project is required in view of the increased cost of construction and because of the fact that the contributed work and facilities have not been supplied and are no longer available.

#### EXPLANATION OF THE BILL

The bill as amended provides for completion of construction of the irrigation facilities of the project by the Bureau of Reclamation as originally planned or with such modification as the Secretary of the Interior may find will result in greater engineering and economic feasibility.



The bill establishes \$1,500,000 to be the reimbursable amount of the cost of constructing the irrigation facilities for the project of 20,000 irrigable acres and establishes a 60-year repayment period. This is an increase of \$500,000 above the reimbursable amount established when the Eden project was originally authorized by the President in 1940. The increase in the amount to be reimbursed by the water users and the extension of the repayment period to 60 years would be consistent with the action of the Eightieth Congress, first session, in authorizing the completion of the Mancos project and increasing the reimbursable amount from \$600,000 up to \$900,000, and extending the repayment period from 40 to 60 years (61 Stat. 176). In addition, the bill would provide the ultimate recovery of the construction cost not repayable by the water users through net revenues from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin when such power plants are constructed.

The bill would also authorize the Secretary of Agriculture to complete the land-development and settlement features of the project at a reimbursable cost of not less than \$373,000. This is \$173,000 more than the amount required to be reimbursed under the original plan and thus a part of the increased cost for land development and settlement will be recovered.

The project is located in Sweetwater County, Wyo., the largest coal-mining county in the State. Most of the food is imported into the county. There is, therefore, a local market for all of the agricultural commodities produced on the lands already settled and in private ownership, and also that which may be produced upon the additional lands to be irrigated under this project.

The private owners on the project, with whom extensive negotiations were carried on prior to the war, had every reason to believe that the project would be completed, and the committee was of the opinion that it should be completed.

The favorable reports of the Interior and Agriculture Departments are hereinbelow set forth in full and made a part of this report.

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DEPARTMENT OF THE INTERIOR,  
Washington, February 21, 1949.

Hon. JOSEPH C. O'MAHONEY,  
*Chairman, Committee on Interior and Insular Affairs,*  
*United States Senate.*

MY DEAR SENATOR O'MAHONEY: I am glad to comply with the request of the Senate Committee on Interior and Insular Affairs for an expression of our views regarding S. 55, a bill to authorize completion of construction and development of the Eden project, Wyoming.

We recommend enactment of the proposed legislation.

The Eden project was approved by the President on September 18, 1940, as a Great Plains project under the water-conservation provision of the Interior Department Appropriation Act of 1940 (53 Stat. 685) which provided funds for the construction of "water conservation and utilization projects \* \* \* in the Great Plains and arid and semiarid areas of the United States \* \* \*."

As authorized by the President, the project consisted of the construction of irrigation facilities to serve (1) approximately 9,000 acres of privately owned land at present irrigated but in need of drainage and improved storage and water supply facilities, (2) approximately 1,000 acres in private ownership that is irrigable but not at present irrigated, and (3) approximately 10,000 acres of public land formerly patented to the State of Wyoming for irrigation development and subsequently



reconveyed to the United States and placed under the jurisdiction of the Secretary of Agriculture for irrigation development and settlement.

The project plan includes the construction of Big Sandy Dam, with a storage capacity of 35,000 acre-feet; enlargement of the 20-mile long main Eden canal to provide capacity to serve the 10,000 acres of public land; rehabilitation and extension of the existing lateral system; construction of a drainage system; construction of necessary ditches to recover drainage and return flow water; and, finally, authorization for the Secretary of Agriculture to conduct a land-development program, to determine the appropriate size of farm unit, and to arrange for settlement.

The Bureau of Reclamation started construction of the Big Sandy Dam, the main feature of the project, in July 1941. Construction was terminated by order of the War Production Board in December 1942. When construction terminated, the Big Sandy Dam was approximately 16 percent complete. No work had been started on the other irrigation facilities required.

If the bill, S. 55, is enacted into law, it will permit the Bureau of Reclamation to complete the construction of the irrigation facilities as originally planned or with such modification of physical features as this Department may find will result in greater engineering and economic feasibility. The present estimated total cost of construction of the irrigation facilities of the project as originally approved is estimated at approximately \$4,667,000. This Department has recently re-examined the water-supply situation and the practicability of rehabilitating and enlarging existing storage and supply works. On the basis of preliminary estimates, which indicate that such improvements for a project to serve 17,500 acres could be provided at a construction cost of \$3,135,000, it appears that it would be more economical to develop the project by utilizing existing facilities to the maximum extent.

The bill would establish \$1,500,000 as the reimbursable portion of the cost of construction of the irrigation facilities of the Eden project. This sum would be recovered over a repayment period of not to exceed 60 years. The finding of feasibility, the basis upon which the President approved the project originally on September 18, 1940, indicates that the Eden project water users could repay \$1,045,000 in 40 years. More recent investigation of the payment capacity of present and prospective water users tends to confirm the conclusion reached on this point in the original finding of feasibility. Therefore, if a 60-year repayment period is provided, it would be reasonable to require the water users to return a total of \$1,500,000 toward the cost of constructing the irrigation features with proportional adjustment (as is provided for in the bill) based on the actual irrigable area as determined upon completion of the project.

In view of the urgent request of Mr. Mills Astin, in your behalf, for a prompt report on S. 55, there has not been time for the usual clearance with the Bureau of the Budget. Accordingly, I am unable to advise regarding the relationship of the proposed legislation to the President's program.

Sincerely yours,

OSCAR L. CHAPMAN,  
*Under Secretary of the Interior.*

DEPARTMENT OF AGRICULTURE,  
*Washington, February 28, 1949.*

Hon. JOSEPH C. O'MAHONEY,  
*Chairman, Committee on Interior and Insular Affairs,  
United States Senate.*

DEAR SENATOR O'MAHONEY: This is in reply to your request of January 26 for a report on S. 55, a bill to authorize completion of construction and development of the Eden project, Wyoming. S. 55, in sections 1 and 2, deals separately with authorities granted the Secretaries of Interior and Agriculture for completing the Eden project. This report will be confined to section 2, which relates to this Department. Section 2 authorizes the Secretary of Agriculture to complete the land-development and settlement features of the Eden irrigation project in accordance with the general plan approved by the President on September 18, 1940; and in determining the amount to be repaid by project occupants, to exclude expenditures for such land-development and settlement features to the extent necessary to keep reimbursable costs within the water users' ability to repay.

The water conservation and utilization legislation under which construction of this project was originally authorized and initiated (Act of May 10, 1939, 53

Stat. 685, 719), contemplated participation by the Work Projects Administration or Civilian Conservation Corps to meet that portion of project costs which was considered beyond the repayment ability of project settlers. Prosecution of the recent war forced the discontinuance of construction of the major irrigation features of the project in December 1942, and limited the work of this Department to those activities which would make an immediate contribution to the production of needed food supplies. The Department of Agriculture has under its control all of the new lands proposed for irrigation in this project, but completion of its part of the project as originally approved is impossible due to lack of authorization to treat as nonreimbursable those costs which are above the ability of the project occupants to repay. S. 55 authorizes expenditure of funds necessary to complete the project and the declaring as nonreimbursable that portion of such expenditures which exceed the water users' ability to repay.

The provision of S. 55 which leaves the determination of reimbursability of land development and settlement expenditures to the Secretary of Agriculture appears desirable in view of the uncertainty as to the total acreage which will be brought under irrigation. This provision also makes it possible to consider significant changes in agricultural prices and related conditions in projecting an estimate of agricultural income during the life of repayment contracts, and in the establishment of the sale price of farm units.

S. 55 would place responsibility for recovery of the reimbursable construction costs of the irrigation features of the project, and the maintenance thereof, in the Secretary of the Interior although this responsibility was originally assigned to the Secretary of Agriculture. The provision in the bill is in keeping with a general agreement between the Departments of Agriculture and Interior with respect to other projects, and is considered advisable in this instance.

The preparation of the new lands for irrigation, their subdivision into economic farm units, and the settlement thereon of qualified farm families is dependent upon completion of construction of the major irrigation features of the project provided for in section 1 of the bill.

It is suggested that the first word in line 2 on page 3 of the bill be changed to read "within".

The \$425,000 development and settlement program originally authorized by the President in 1940 involved an allocation of \$200,000 from funds made available to the President for water conservation and utilization projects, and an anticipated participation by the Work Projects Administration or Civilian Conservation Corps, with an estimated value of \$225,000. Because of the war emergency the actual contribution of these latter agencies was limited to an estimated \$5,061, and \$45,405 of the \$200,000 allocation was rescinded and transferred for use on another project where a greater increase in food production was possible. It is now estimated that completion of the project will require an expenditure of approximately \$1,375,000 in addition to the \$154,595 already obligated or remaining available for obligation. The net cost, however, is estimated to be \$125,000 less than the total amount indicated by virtue of the estimated salvage value of heavy equipment and temporary housing facilities which would be available for sale upon completion of the project. The increased amount is required to cover (a) on the basis of present prices, the work which originally was to have been done by the Work Projects Administration or Civilian Conservation Corps; (b) on the basis of present prices, the work which was to have been accomplished with the funds transferred; (c) to meet the general increase in cost of labor, materials, and supplies which has taken place since 1940; and (d) to comply with the large number of urgent requests for leveling of private land not contemplated in the original estimate but which will make more effective use of the available water supply.

This Department recommends that the bill be passed.

In view of the time limitation, we have not obtained advice from the Bureau of the Budget as to the relationship of this proposed legislation to the program of the President.

Sincerely,

CHARLES F. BRANNAN, *Secretary.*









81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 55

[Report No. 308]

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## IN THE SENATE OF THE UNITED STATES

JANUARY 5, 1949

MR. O'MAHONEY (for himself and Mr. HUNT) introduced the following bill; which was read twice and referred to the Committee on Interior and Insular Affairs

APRIL 27 (legislative day, APRIL 11), 1949

Reported by Mr. O'MAHONEY, with amendments

[Omit the part struck through and insert the part printed in italic]

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## A BILL

To authorize completion of construction and development of the Eden project, Wyoming.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That the Secretary of the Interior is authorized to complete  
4        the construction, including any necessary preconstruction  
5        surveys and investigations, of the irrigation features of the  
6        Eden project, Wyoming, as approved by the President on  
7        September 18, 1940 (Senate Document Numbered 18,  
8        Seventy-seventh Congress, first session (1941), page 29),  
9        with such modification in physical features as the Secretary  
10       of the Interior may find will result in greater engineering  
11       and economic feasibility: *Provided, That the total reim-*

1    bursable costs of the irrigation features of the project as fixed  
2    in the finding of feasibility approved by the President on  
3    September 18, 1940, shall be \$1,500,000 for the project of  
4    twenty thousand irrigable acres, with proportional adjust-  
5    ment based on the actual irrigable area as determined and  
6    announced by the Secretary of the Interior upon completion  
7    of the project, which amount shall be reimbursable in not to  
8    exceed sixty years: *And provided further, That provision*  
9    *for the recovery of the reimbursable construction costs of*  
10    *the irrigation features of the project and the operation and*  
11    *maintenance thereof shall be made by the Secretary of the*  
12    *Interior That of the construction costs of the irrigation fea-*  
13    *tures of the project not less than \$1,500,000 for the project*  
14    *of twenty thousand irrigable acres, or a proportionate part*  
15    *thereof based on the actual irrigable area as determined and*  
16    *announced by the Secretary of the Interior upon completion*  
17    *of the project, shall be reimbursable by the water users in*  
18    *not to exceed sixty years, and provision for the recovery*  
19    *thereof and for payment of the operation and maintenance*  
20    *costs of the irrigation features of the project shall be made*  
21    *by a contract or contracts satisfactory to the Secretary of*  
22    *the Interior: Provided further, That construction costs of*  
23    *the irrigation features of the project which are not hereby*  
24    *made reimbursable by the water users shall be set aside in a*  
25    *special account against which net revenues derived from the*

1 *sale of power generated at the hydroelectric plants of the*  
2 *Colorado River storage project in the Upper Basin shall be*  
3 *charged when such plants are constructed.*

4       SEC. 2. That the Secretary of Agriculture is authorized  
5 to complete the land development and settlement features of  
6 the project in accordance with the general plan approved by  
7 the President on September 18, 1940, including the ac-  
8 quisition of such lands, or interests in lands, as may be nec-  
9 essary, and the extension of technical advice and assistance  
10 to settlers in matters of farm practice, soil conservation, and  
11 efficient land use: *Provided, however, That all expenditures*  
12 *in the development and settlement of the project lands may*  
13 *be excluded from the costs in determining the amounts re-*  
14 *quired to be reimbursed, to the extent the Secretary of Ag-*  
15 *riculture determines it necessary to keep reimbursable costs*  
16 *with the ability of the water users to repay That the total*  
17 *reimbursable cost of the land development and settlement*  
18 *features of the project shall be not less than \$373,000 for*  
19 *the project of twenty thousand irrigable acres with pro-*  
20 *portionate adjustment, if necessary, based on the actual*  
21 *irrigable area as determined upon completion of the project.*

22       SEC. 3. To carry out the purposes of this Act, the  
23 Secretary of the Interior and the Secretary of Agriculture  
24 are hereby authorized to allot any moneys available from  
25 appropriations heretofore made to the Department of the

1 Interior and the Department of Agriculture, respectively,  
2 for "water conservation and utility projects" and "water  
3 conservation and utilization projects", and there is hereby  
4 authorized to be appropriated, out of any money in the  
5 Treasury not otherwise appropriated, to the Department  
6 of the Interior and the Department of Agriculture, re-  
7 spectively, such sums of money as may be necessary to  
8 complete the project.





81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> Session

**S. 55**

[Report No. 308]

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# A BILL

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To authorize completion of construction and development of the Eden project, Wyoming.

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By Mr. O'MAHONEY and Mr. HUNT

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JANUARY 5, 1949

Read twice and referred to the Committee on Interior  
and Insular Affairs

APRIL 27 (legislative day, APRIL 11), 1949

Reported with amendments







between the iron-curtain countries of eastern Europe and western European areas also would be helpful, it said.

Eastern European countries, the report said, because of American restrictions on imports to them, are the only ones in Europe having a favorable trade balance with the United States.

#### DOLLAR SHORTAGE BLAMED

Europe will remain dependent on American capital for many years, the survey report said.

The report said European industry has recovered with remarkable speed and will soon be as highly developed as if the war had never occurred. But, in spite of this recovery, it held the general economic outlook is poor because of a persistent dollar shortage and the almost total absence of integration of the economic plans of the various European nations.

The dollar shortage remains Europe's major economic problem, the survey concluded. It reported, however, the complementary problem of an American dollar surplus has as grave implications for the United States.

To solve the double problem, the survey said, the United States probably will have to "continue for many years to assist the outside world through investment loans in much the same way as Britain financed capital development to the rest of the world throughout the nineteenth century."

The most desirable course would seem to be for the United States to schedule a major program of capital investment abroad for specific development projects staggered over a period of time."

#### ALL PHASES OF ECONOMY REVIEWED

The survey reviewed all aspects of Europe's economic life during 1948 and the prospects for the future.

The survey made these observations:

1. Industrial production in Europe rose by 16 percent and agricultural production by 12 percent during 1948.

2. In the Soviet Union, industrial production rose by 27 percent and the grain harvest returned to the prewar level.

3. The productivity of labor rose about 9 percent.

4. There was substantial improvement in the rate of capital formation, and the volume of investment exceeded the 1938 level by one-third.

5. Overseas exports increased by 30 percent, while imports were reduced by 7 percent.

6. There was a gradual return to conditions of monetary stability.

7. A major contribution to the increase in European production was a spectacular recovery in the western zones of Germany, where output reached 64 percent of the prewar level at the close of 1948.

8. With the exception of Italy, Hungary, Belgium, and Germany, unemployment remained very low.

9. If high levels of employment are maintained, increases in production may continue for some years and the productivity of European workers will continue to rise.

#### POVERTY IS PROBLEM

Despite continuing progress, the probable improvements in the next 10 years are unlikely to bring about a solution of "the basic problem of Europe—the severe poverty in which the majority of the European peoples live," the survey declared. It went on:

"The resources that are likely to be devoted to capital investment within Europe are far from adequate to secure any really substantial improvement in living standards, or to narrow the 'tremendous gap' between industrial output per man in Europe and in the United States.

"The problem of the overseas balance of payments remains the most threatening aspect of Europe's economic situation."

The essence of the economic crisis between the United States and Europe lies in the fact that the United States is simultaneously the most highly developed industrial country of the world, the world's largest surplus area and Europe's largest supplier of primary products.

The survey has been in preparation during the past 9 months by the economic commission's research division. It was under the direction of the Hungarian-born British economist, Nicholas Kaldor. It is to form one of the principal subjects for discussion at the fourth session of the commission, due to open here next week.

Mr. WILEY. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield.

Mr. WILEY. I am very much interested in the Senator's remarks. I am wondering if we can find in them any suggestion as to what course he thinks would be the wise one to follow. He will remember that when the recommendations came from the Foreign Relations Committee in relation to authorizations, it was the consensus of all the members of the committee that the authorization then was based upon information which had come to the committee as of November last year. We had come to the conclusion that between November and June or July, when the appropriations would be made, there would be a number of imponderables which would come into being, and which would give direction as to the amount which we felt should be appropriated.

I wonder whether this is one of the imponderables to which we have been looking forward. If it is, in what way would the Senator consider that the Appropriations Committee should consider it and act?

Mr. FULBRIGHT. Mr. President, I think it is primarily the duty of the State Department to consider this kind of policy. But because the only proposed legislation we had before us pertaining to this problem was the ECA authorization bill, it was the only means by which I could attempt to induce the ECA and the Department of State to consider the absolute necessity for the reformation of the political and economic pattern of Europe.

In considering that authorization, I do not see how we can add such restrictions to an appropriation bill. But in the absence of any sign that the State Department recognize the significance of this matter, I think our committee should discuss it with them and should advise them.

I may say to the Senator from Wisconsin that if I correctly interpret what he said in the committee, he is generally in agreement with my views with respect to the importance of the federation of Europe. I think he was one of the Senators who realized the importance of it, and I think the committee should do so.

Mr. WILEY. Mr. President, I am grateful to my oleomargarine opponent for his very fine ideas on this subject. I wish to say that I understood from his statement that the Commission has made certain findings to the effect that, as a result of our aid, there is not the complete coordination which we hoped

would develop in Europe. On the other hand, I do not understand from what the Senator read that there was a conclusion that the contribution made had not resulted in economic rejuvenation, so to speak.

Mr. FULBRIGHT. It is very clear that they think economic progress is also being made. In the article it is said that they are tripping over their own economic isolationism, and that their economic progress is bogging down.

It is clear that they do not expect Europe to be free from dependency on our support for many years. In fact, it is likely that our support will be practically a permanent proposition. They say they look forward to the necessity of our following the same policy that Great Britain followed in the last century in the advancement of loans in large amounts to all these countries for an indefinite period. The matter is both political and economic.

Mr. WILEY. Mr. President, I shall read the article with interest.

Mr. FULBRIGHT. Mr. President, there was also an article in the morning Post, entitled, "Dependent Europe Expected for Years." That article is a different version of the other article to which I have referred, which appears in the afternoon edition of today's Star. The Star article is a much more complete account than the article appearing in the Post.

Mr. REED. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. REED. The Senator from Arkansas has already consumed more than 5 minutes, which is the limit.

The PRESIDENT pro tempore. Under the rule, the Senator can speak for only 5 minutes.

Mr. FULBRIGHT. If the Senator prefers, I shall take time on the next bill.

Mr. REED. I am interested in a number of small bills on the calendar. I do not believe that this is the proper place to make a speech. Let us dispose of bills on the calendar.

Mr. CONNALLY. Mr. President, may we proceed with the bill in which I am interested?

The PRESIDENT pro tempore. The question is on the engrossment and third reading of Senate bill 1704.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That there shall be in the Department of State, in addition to the Secretary of State, an Under Secretary of State and 10 Assistant Secretaries of State. The Secretary of State may designate two Assistant Secretaries to serve as Deputy Under Secretaries.

SEC. 2. The officers referred to in section 1 of this act shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Officers enumerated in section 1 holding office at the time the provisions of this act become effective shall not be required to be reappointed by reason of the enactment of this act.



SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is vested in the President of the United States, shall, under the authority of the President, administer, coordinate, and direct the Foreign Service of the United States. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the "Assistant Secretary of State for Administration," the "Assistant Secretary of State in Charge of the Administration of the Department," the "Director General," the "Board of Examiners for the Foreign Service," or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions to officers and employees under his direction and supervision.

SEC. 5. The following statutes or parts of statutes are hereby repealed:

Section 200 of the Revised Statutes, as amended and amplified by the acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the act of May 24, 1924 (ch. 182, and the act of December 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, Eightieth Congress).

Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such act to the "Deputy Director General."

Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032).

#### MORATORIUM IN APPLICATION OF CERTAIN ANTITRUST LAWS—BILL PASSED OVER

The bill (S. 1008) to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual good-faith delivered-price systems and freight-absorption practices was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GURNEY. I object, at the request of the Senator who filed the minority views.

The PRESIDENT pro tempore. Objection is heard.

Mr. FULBRIGHT. Mr. President, I did not understand the nature of the last objection. What was the objection of the Senator from South Dakota? I did not hear because of some confusion.

Mr. GURNEY. I merely objected on behalf of the Senator who filed the minority views.

Mr. FULBRIGHT. Was the Senator himself objecting? Who was objecting?

Mr. GURNEY. The senior Senator from North Dakota [Mr. LANGER].

Mr. FULBRIGHT. I did not understand who was objecting.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

#### DIVERSIFICATION OF TIN-RECOVERY FACILITIES

The Senate proceeded to consider the bill (S. 1433) amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended, which had been reported from the Committee on Banking

and Currency with an amendment, on page 2, after line 16, to insert "which determination or estimate shall be deemed conclusive)," so as to make the bill read:

*Be it enacted, etc.,* That Public Law 125, Eightieth Congress, approved June 28, 1947, as amended, is hereby further amended by changing "SEC. 3" to "SEC. 4" and inserting a new SEC. 3 reading as follows:

"SEC. 3. In order to promote the conservation of the tin ore reserves of the Western Hemisphere and to increase their availability for the tin requirements of the United States through diversification of tin-recovery facilities in the United States, the powers exercised by the Reconstruction Finance Corporation or its successor and continued in effect by the provisions of section 2 hereof shall include authority to offer for sale from time to time and to sell to the highest bidder for the recovery in the United States of grade A pig tin, any tin concentrates or other tin-bearing materials heretofore or hereafter acquired by the Reconstruction Finance Corporation and containing not more than 25 percent of tin; and to contract to buy up to an equivalent amount of such pig tin for future delivery, not to exceed 4 months from date of delivery of such concentrates or tin-bearing material to the processor, at the Reconstruction Finance Corporation's selling price for such grade on the date of such contract. *Provided,* That the minimum price at which any such concentrates or tin-bearing materials are so sold shall represent no less return to the Government, as determined or estimated by the Reconstruction Finance Corporation (which determination or estimate shall be deemed conclusive), than would result through the Government itself transporting and treating such concentrates or tin-bearing materials in any Government-owned or controlled facility and transporting and selling the pig tin recovered therefrom."

Mr. WILEY. Mr. President, may we have an explanation of Calendar 285, Senate bill 1433?

The PRESIDENT pro tempore. The Senator from Arkansas [Mr. FULBRIGHT] reported the bill.

Mr. FULBRIGHT. Mr. President, was the Senator referring to Calendar 289?

Mr. WILEY. No; Calendar 285, Senate bill 1433.

Mr. FULBRIGHT. I can also explain Calendar 288, House bill 2023.

Mr. President, under the existing law no private company can purchase tin ores for the refining of tin. We have in this country one tin smelter which is located in Texas. Under contract with the Bolivian tin producers the Government purchases all tin ores which are used in that refinery, which is the only tin refinery in the country.

The purpose of the bill is purely permissive, to give to the Reconstruction Finance Corporation—in other words, the Government; it is handled through the RFC—permission to sell these ores to private concerns. The objective of the bill is to build up, if we can, the techniques for the refining of tin ore. There is a company, the Vulcan Detinning Co., whose principal business is detinning, recovering tin from tin cans, and handling scrap tin. That company would like to try to develop a private tin smelter on a profitable basis. There is a provision in the bill which protects the Government from selling at a greater loss to a private concern than that which it now sustains in the operation of the refinery in Texas.

The Reconstruction Finance Corporation approved the bill. It stated that it could see no harm in it, and believed that it might develop a tin refining industry in this country. I think the Senator is familiar with the fact that prior to the war we had no tin refining. It was all done either in Malaya, England, or Holland.

The committee believes that this would not only give private enterprise an opportunity to participate in the refining of tin, but would develop additional sources, other than the one in Texas, and thereby contribute to national defense.

One or two other companies have evidenced an interest if tin ore can be made available, which they cannot now buy at all, because the law will not permit it. They might also attempt to develop modern and more efficient methods of refining tin.

I cannot imagine what an objection to the bill could be based upon. No one who appeared before the committee objected. Everyone who appeared, both from the Government and from industry, was in favor of it.

Mr. WILEY. Mr. President, I may say that I have no objection. I merely wanted an explanation.

Mr. FULBRIGHT. I was very curious to know why an objection would be made. I have no idea why anyone would object.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. FULBRIGHT. Mr. President, have I 5 minutes to speak now?

The PRESIDENT pro tempore. The Senator has already spoken on this bill.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### EDEN PROJECT, WYOMING

The bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. FULBRIGHT. Mr. President, I shall not object, but, reserving the right to object, do I have 5 minutes now in which I can proceed?

The PRESIDENT pro tempore. The Senator can speak on the bill.

Mr. FULBRIGHT. Must the speech be germane to the bill?

The PRESIDENT pro tempore. There is no rule requiring it to be germane.

Mr. FULBRIGHT. I presume I can proceed for 5 minutes.

The PRESIDENT pro tempore. The Senator can proceed for 5 minutes.

Mr. FULBRIGHT. I ask unanimous consent that my remarks at this point be connected up with the remarks which I started a few minutes ago.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Mr. FULBRIGHT addressed the Senate. His remarks were ordered to be transposed, as indicated.)



Mr. WHERRY. Mr. President, we are now ready to consider Calendar 286, Senate bill 55; are we not?

The PRESIDENT pro tempore. Yes. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, may we have a brief explanation of the bill?

Mr. O'MAHONEY. Mr. President, this measure, which authorizes the completion of the Eden Valley project, deals with the last of the Great Plains projects which were undertaken in 1940. They were interrupted by reason of the war. Later the War Production Board was able to allow several of them to proceed. Three were left: The Eden Valley project, in Wyoming; the Mancos project, in Colorado; and the Angostura project, in South Dakota.

During the last session the Mancos project was reauthorized. It is necessary to reauthorize these projects.

The feeling of the committee in reporting the bill was that the Government owes a certain moral obligation to the settlers upon this project, and thus should authorize the completion of the project.

It involves something less than 20,000 acres of land, of which 9,000 are privately owned, all of it being in small tracts. About 10,000 acres of public land are involved. The public land was ceded to the State of Wyoming under the old Carey Act or law, many years ago. That law provided that public land would be assigned to the State in the arid-land areas in which water companies were established to provide irrigation; and then the State was authorized to convey the land to settlers, who agreed under contract to buy the water from the private irrigation companies.

In this project, as in practically every other such Carey Act project, the private works were not adequate to do the job. In 1940 the Federal Government undertook to complete the project, to build the dam and the canals.

Mr. WILEY. Mr. President, what is involved? How much is proposed to be authorized?

Mr. O'MAHONEY. The bill authorizes approximately \$4,500,000 of which \$1,500,000 will be repayable by the settlers themselves on the reclamation charges, and about \$373,000 on the agricultural phases of the work; and the balance, when the power projects are built in the Upper Colorado Basin, will be allocated to such projects.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. The Senator has already answered the question I would have asked, when he stated that this was apparently what we called a WPA project.

Mr. O'MAHONEY. WPA labor was to engage in that work.

Mr. WHERRY. Yes. So it must be reauthorized, now, under to Bureau of Reclamation; is that correct?

Mr. O'MAHONEY. Yes.

Mr. WHERRY. Very well; that is all I wish to know.

The PRESIDENT pro tempore. Is there objection of the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 11, after the word "Provided", to strike out:

That the total reimbursable costs of the irrigation features of the project as fixed in the finding of feasibility, approved by the President on September 18, 1940, shall be \$1,500,000 for the project of 20,000 irrigable acres, with proportional adjustment based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, which amount shall be reimbursable in not to exceed 60 years: *And provided further*, That provision for the recovery of the reimbursable construction costs of the irrigation features of the project and the operation and maintenance thereof shall be made by the Secretary of the Interior.

And to insert:

That of the construction costs of the irrigation features of the project not less than \$1,500,000 for the project of 20,000 irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users in not to exceed 60 years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin shall be charged when such plants are constructed.

And on page 3, in line 11, after the word "however", to strike out:

That all expenditures in the development and settlement of the project lands may be excluded from the costs in determining the amounts required to be reimbursed, to the extent the Secretary of Agriculture determines it necessary to keep reimbursable costs with the ability of the water users to repay.

And to insert:

That the total reimbursable cost of the land development and settlement features of the project shall be not less than \$373,000 for the project of 20,000 irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

So as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Interior is authorized to complete the construction, including any necessary pre-construction surveys and investigations, of the irrigation features of the Eden project, Wyoming, as approved by the President on September 18, 1940 (S. Doc. 18, 77th Cong., 1st sess. (1941), p. 29), with such modification in physical features as the Secretary of the Interior may find will result in greater engineering and economic feasibility: *Provided*, That of the construction costs of the irrigation features of the project not less than \$1,500,000 for the project of 20,000 irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project,

shall be reimbursable by the water users in not to exceed 60 years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin shall be charged when such plants are constructed.

SEC. 2. That the Secretary of Agriculture is authorized to complete the land development and settlement features of the project in accordance with the general plan approved by the President on September 18, 1940, including the acquisition of such lands, or interests in lands, as may be necessary, and the extension of technical advice and assistance to settlers in matters of farm practice, soil conservation, and efficient land use: *Provided, however*, That the total reimbursable cost of the land development and settlement features of the project shall be not less than \$373,000 for the project of 20,000 irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

SEC. 3. To carry out the purposes of this act, the Secretary of the Interior and the Secretary of Agriculture are hereby authorized to allot any moneys available from appropriations heretofore made to the Department of the Interior and the Department of Agriculture, respectively, for "water conservation and utility projects" and "water conservation and utilization projects," and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Department of the Interior and the Department of Agriculture, respectively, such sums of money as may be necessary to complete the project.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILLS PASSED OVER

The PRESIDENT pro tempore. The next measure on the calendar will be stated.

The bill (H. R. 2023) to regulate oleomargarine, to repeal certain taxes relating to oleomargarine, and for other purposes, was announced as next in order.

Mr. THYE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank, and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. That bill will be passed over.

#### STANDARDS OF ELECTRICAL AND PHOTOMETRIC MEASUREMENTS

The bill (S. 441) to redefine the units and establish the standards of electrical and photometric measurements was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?



Mr. HENDRICKSON. I wonder whether we might have an explanation of the need of the statutory definition.

Mr. JOHNSON of Colorado. Mr. President, if the clerk will read section 6, I am certain the bill will be fully understood.

The PRESIDENT pro tempore. The clerk will read section 6.

The legislative clerk read as follows:

SEC. 6. The unit of electrical capacitance shall be the farad, which is the capacitance of a capacitor that is charged to a potential of 1 volt by 1 coulomb of electricity.

Mr. HENDRICKSON. I am still at a loss to understand the need of a statutory definition.

Mr. JOHNSON of Colorado. The necessity of this bill is to bring the language of our statutes up to the progress which science has made. The bill has been drafted to keep the basic definitions of the act of 1894, but to eliminate the alternative definitions specifying devices, which are incorrect and are not now necessary. The later sections of the bill establish in scientific terms definitions of the units of light, now in common use throughout the world, largely as the result of work done at the National Bureau of Standards, but which have been specifically established by Federal statutes. As I have said, it is simply to bring our current statutes up to date in the use of scientific terms.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 441) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That from and after the date this act is approved the legal units of electrical and photometric measurement in the United States of America shall be those defined and established as provided in the following sections:

SEC. 2. The unit of electrical resistance shall be the ohm, which is equal to one thousand million units of resistance of the centimeter-gram-second system of electromagnetic units.

SEC. 3. The unit of electric current shall be the ampere, which is one-tenth of the unit of current of the centimeter-gram-second system of electromagnetic units.

SEC. 4. The unit of electromotive force and of electric potential shall be the volt, which is the electromotive force that, steadily applied to a conductor whose resistance is one ohm, will produce a current of one ampere.

SEC. 5. The unit of electric quantity shall be the coulomb, which is the quantity of electricity transferred by a current of one ampere in one second.

SEC. 6. The unit of electrical capacitance shall be the farad, which is the capacitance of a capacitor that is charged to a potential of one volt by one coulomb of electricity.

SEC. 7. The unit of electrical inductance shall be the henry, which is the inductance in a circuit such that an electromotive force of one volt is induced in the circuit by variation of an inducing current at the rate of one ampere per second.

SEC. 8. The unit of power shall be the watt, which is equal to ten million units of power in the centimeter-gram-second system, and which is the power required to cause an unvarying current of one ampere to flow between points differing in potential by one volt.

SEC. 9. The units of energy shall be (a) the joule, which is equivalent to the energy supplied by a power of one watt operating for one second, and (b) the kilowatt-hour, which is equivalent to the energy supplied by a power of one thousand watts operating for one hour.

SEC. 10. The unit of intensity of light shall be the candle, which is one-sixtieth of the intensity of one square centimeter of a perfect radiator, known as a "black body," when operated at the temperature of freezing platinum.

SEC. 11. The unit of flux of light shall be the lumen, which is the flux in a unit of solid angle from a source of which the intensity is one candle.

SEC. 12. It shall be the duty of the National Bureau of Standards to establish the values of the primary electric and photometric units in absolute measure, and the legal values for these units shall be those represented by, or derived from, national reference standards maintained by the National Bureau of Standards.

SEC. 13. The act of July 12, 1894 (Public Law Numbered 105, Fifty-third Congress), entitled "An act to define and establish the units of electrical measure", is hereby repealed.

#### SALE OF RESETTLEMENT PROJECTS KNOWN AS GREENBELT, MD., GREEN- DALE, WIS., AND GREENHILLS, OHIO— BILL TEMPORARILY PASSED OVER

The bill (H. R. 2440) to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPPPEL. Mr. President, may we have an explanation of the bill?

Mr. DOUGLAS. Mr. President, this is a bill to permit the Housing Administration to sell to veterans' groups organized on a nonprofit or mutual basis, and to limited dividend corporations, on the basis of independent appraisal without competitive sales, the so-called three "Green Towns" outside, respectively, the cities of Milwaukee, Wis., Washington, D. C., and Cincinnati, Ohio. The Housing Commissioner has the power to require competitive sales to private bidders, but the bill permits him to dispose of the properties in an alternative way.

Mr. WHERRY. Mr. President, reserving the right to object, I may say I sincerely hope the Senator from Kansas will not object to the passage of the bill.

Mr. SCHOEPPPEL. I have no objection whatever.

Mr. WHERRY. I have gone over it myself very carefully. I have had many communications about it. I am in total sympathy with the purposes of the bill. I hope it will be passed.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Banking and Currency, with an amendment, to strike out all after the enacting clause, and insert:

That, notwithstanding the provisions of section 3709, as amended, of the Revised

Statutes of the United States, or any other provision of law, the Public Housing Commissioner is hereby authorized, by means of negotiated sale or sales and without competitive bidding or public advertising, to sell and convey, at fair market value as determined by him on the basis of an appraisal made by an independent real-estate expert selected by the Commissioner and subject to such terms and conditions as he may determine to be in the best public interest, to such purchaser or purchasers as he deems to be responsible, all right, title, and interest of the United States in or to all or any part of the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio (including improved and unimproved lands, war housing constructed on lands of or adjacent to said suburban resettlement projects, and personal property used in connection with said projects or housing): *Provided, however,* That the Public Housing Commissioner shall, during such period as he deems to be reasonable, give a first preference in such negotiated sale or sales to veteran groups organized on a nonprofit basis (provided that any such group shall accept as a member or its organization, on the same terms, subject to the same conditions, and with the same privileges and responsibilities, required of, and extended to other members of the group, any tenant occupying a dwelling unit at any time during such period, starting on the date of the announcement by the Public Housing Commissioner of the terms of the negotiated agreement hereunder with such group, as the Commissioner shall deem appropriate), and may sell to such groups at fair market value (as determined by him on the basis stated above) or at cost (as determined by him, including the apportioned cost of structures, lands, appurtenances, and personal property transferred, together with the apportioned share of the cost of all utilities and other facilities provided for and common to the project of which any property being sold is a part), whichever is lower, except, however, that in the event two or more such groups desire to purchase any such project they shall be required to submit sealed bids therefor and the award shall be made on the basis of the highest acceptable monetary return to the Government: *And provided further,* That evidence is furnished to the Commissioner, satisfactory to him, that the compensation paid or to be paid for organizing such groups, for negotiating the purchase of such property and for financing such purchase is fair in relation to the purchase price and reasonable on the basis of time effectively devoted to such services on a professional or similar basis: *And provided further,* That in the event of a sale other than for cash, the Commissioner shall require a down payment of at least 10 percent of the total purchase price, the balance to be amortized over a period of not more than 25 years, the unpaid balance to bear interest at the rate of 4 percent per annum and the payment of any unpaid balance to be secured by a first mortgage or deed of trust against the properties sold. The Commissioner is authorized, as a condition of any such sale, to transfer, or to require the transfer or an agreement for the transfer of, streets, roads, public buildings, federally owned utilities, playgrounds, swimming pools, and parks, including adequate open land surrounding or adjacent to each project, to the appropriate non-Federal governmental agency, at such times, to such an extent, and upon such terms and conditions as he shall determine to be in the public interest.

SEC. 2. As used in this act, (1) the term "veteran" means any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and who shall have been discharged,







81ST CONGRESS  
1ST SESSION

# S. 55

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IN THE HOUSE OF REPRESENTATIVES

MAY 9, 1949

Referred to the Committee on Public Lands

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## AN ACT

To authorize completion of construction and development of the  
Eden project, Wyoming.

1     *Be it enacted by the Senate and House of Representa-*  
2     *tives of the United States of America in Congress assembled,*  
3     That the Secretary of the Interior is authorized to complete  
4     the construction, including any necessary preconstruction  
5     surveys and investigations, of the irrigation features of the  
6     Eden project, Wyoming, as approved by the President on  
7     September 18, 1940 (Senate Document Numbered 18,  
8     Seventy-seventh Congress, first session (1941), page 29),  
9     with such modification in physical features as the Secretary  
10    of the Interior may find will result in greater engineering  
11    and economic feasibility: *Provided*, That of the construction

1 costs of the irrigation features of the project not less than  
2 \$1,500,000 for the project of twenty thousand irrigable  
3 acres, or a proportionate part thereof based on the actual  
4 irrigable area as determined and announced by the Secre-  
5 tary of the Interior upon completion of the project, shall be  
6 reimbursable by the water users in not to exceed sixty years,  
7 and provision for the recovery thereof and for payment of  
8 the operation and maintenance costs of the irrigation features  
9 of the project shall be made by a contract or contracts satis-  
10 factory to the Secretary of the Interior: *Provided further,*  
11 That construction costs of the irrigation features of the pro-  
12 ject which are not hereby made reimbursable by the water  
13 users shall be set aside in a special account against which net  
14 revenues derived from the sale of power generated at the  
15 hydroelectric plants of the Colorado River storage project  
16 in the Upper Basin shall be charged when such plants are  
17 constructed.

18 SEC. 2. That the Secretary of Agriculture is authorized  
19 to complete the land development and settlement features of  
20 the project in accordance with the general plan approved by  
21 the President on September 18, 1940, including the ac-  
22 quisition of such lands, or interests in lands, as may be  
23 necessary, and the extension of technical advice and assist-  
24 ance to settlers in matters of farm practice, soil conser-  
25 vation, and efficient land use: *Provided, however,* That



1 the total reimbursable cost of the land development and  
2 settlement features of the project shall be not less than  
3 \$373,000 for the project of twenty thousand irrigable acres  
4 with proportionate adjustment, if necessary, based on the  
5 actual irrigable area as determined upon completion of the  
6 project.

7 SEC. 3. To carry out the purposes of this Act, the  
8 Secretary of the Interior and the Secretary of Agriculture  
9 are hereby authorized to allot any moneys available from  
10 appropriations heretofore made to the Department of the  
11 Interior and the Department of Agriculture, respectively,  
12 for "water conservation and utility projects" and "water  
13 conservation and utilization projects", and there is hereby  
14 authorized to be appropriated, out of any money in the  
15 Treasury not otherwise appropriated, to the Department  
16 of the Interior and the Department of Agriculture, re-  
17 spectively, such sums of money as may be necessary to  
18 complete the project.

Passed the Senate May 6 (legislative day, April 11),  
1949.

Attest:

LESLIE L. BIFFLE,  
*Secretary.*

## AN ACT

To authorize completion of construction and development of the Eden project, Wyoming.

MAY 9, 1949

Referred to the Committee on Public Lands







AUTHORIZING COMPLETION OF CONSTRUCTION AND  
DEVELOPMENT OF THE EDEN PROJECT, WYOMING

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MAY 27, 1949.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

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Mr. BARRETT of Wyoming, from the Committee on Public Lands,  
submitted the following

R E P O R T

[To accompany S. 55]

The Committee on Public Lands, to whom was referred the bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of this bill is to provide the necessary authorization to permit the Bureau of Reclamation to complete the construction of the irrigation facilities of the Eden project, Wyoming, as originally authorized by the President as a Great Plains project on September 18, 1940, or with such modification as the Secretary of the Interior may find will result in greater engineering and economic feasibility. The bill also authorizes the Secretary of Agriculture to complete the land-development and settlement features of the project in accordance with the general plan approved by the President in 1940.

HISTORY OF EDEN PROJECT

The Eden project as authorized by the President involved the construction of irrigation facilities to serve (1) approximately 9,000 acres of privately owned land at present irrigated but in need of drainage and improved storage and water supply facilities, and (2) approximately 1,000 acres in private ownership that is irrigable but not at present being irrigated, and (3) approximately 10,000 acres of public land formerly patented to the State of Wyoming for irrigation development under the Carey Act. Public Law 131, Seventy-seventh Congress, first session, approved June 25, 1941, authorized the Secre-

tary of Agriculture to accept reconveyance of those lands on behalf of the United States. Thereafter the State of Wyoming reconveyed title to the latter 10,000 acres and they are now under jurisdiction of the Secretary of Agriculture for irrigation development and settlement under the Eden project as authorized.

The authorized project plan involved the construction of the following irrigation facilities by the Bureau of Reclamation:

(a) Construction of Big Sandy Dam with a storage capacity of 35,000 acre-feet.

(b) Enlargement of the 20-mile long main Eden canal to provide capacity to serve the additional 10,000 acres of public land.

(c) Rehabilitation and extension of the existing lateral system to serve the total project area of approximately 20,000 acres.

(d) Construction of a drainage system for the 20,000 acres.

(e) Construction of necessary ditches to recover drainage and return flow water for reuse on the project.

In addition, the project plan authorized the Secretary of Agriculture to conduct a land-development program, determine appropriate size of farm unit, arrange for settlement, negotiate arrangement for recovery of reimbursable costs, and to operate the project.

The cost estimates for the project and reimbursable amounts on which the original authorization was made were:

	Estimated total cost	Appropriated funds (reimbursable)	WPA and CCC funds (nonreimbursable)
Bureau of Reclamation (for construction of irrigation facilities) -	\$2, 045, 000	\$1, 000, 000	\$1, 045, 000
Department of Agriculture (for development and settlement) -	425, 000	200, 000	225, 000

The Bureau of Reclamation started construction of the Big Sandy Dam, the main feature of the project, in July 1941. Construction was terminated by order of the War Production Board in December 1942. When construction terminated the Big Sandy Dam was approximately 16 percent complete, and no work had been started on the other irrigation facilities required.

Meanwhile, the existing Eden Reservoir and canal system had been taken over for operation by the Department of Agriculture in accordance with the authorized project plan. Furthermore, the Department of Agriculture had started some land-leveling and development work on the private land area of the project already under irrigation. Approximately only 10 percent of the project development and settlement work proposed to be carried out by the Department of Agriculture had been completed when the War Production Board stop order was issued.

The War Production stop order issued in December 1942 affected not only the Eden project, Wyoming, but a number of other Great Plains and water-conservation and utilization projects throughout the arid and semiarid areas of the West. A later ruling from the War Production Board permitted construction to continue on all those projects except the Eden project, Wyoming; Mancos project, Colorado; and the Angostura project, South Dakota. Permission was not granted by the War Production Board to continue the con-

struction of these three projects because only a small percent of the total construction program had been completed at the start of the war. All of the other Great Plains and WCU projects, being well under way at the start of the war, were approved by the War Production Board as important to be completed as a source of needed food and fiber; and construction was permitted to continue.

Since the cessation of hostilities Congress has authorized the completion of the irrigation construction on the Mancos project (Public Law 109, 80th Cong., 1st sess.), and on the Angostura project (now a unit of the Missouri Basin project). Thus, only the Eden project of all the Great Plains and WCU projects which had been approved and were actually under construction at the start of the war has not been reactivated.

#### NECESSITY FOR LEGISLATION

At the time the Eden project was originally authorized as a Great Plains project, it was expected that labor and facilities would be contributed by the Civilian Conservation Corps and the Work Projects Administration to the value of \$1,270,000, and that the balance of the estimated cost (\$1,200,000) would be appropriated by the Congress and repaid by the water users.

The total cost of the Eden project for construction of the irrigation facilities as originally planned and for the development and settlement of the project of 20,000 irrigable acres is now estimated at \$6,198,000. A reauthorization of the project is required in view of the increased cost of construction and because of the fact that the contributed work and facilities have not been supplied and are no longer available.

#### EXPLANATION OF THE BILL

The bill as amended provides for completion of construction of the irrigation facilities of the project by the Bureau of Reclamation as originally planned or with such modification as the Secretary of the Interior may find will result in greater engineering and economic feasibility.

The bill establishes \$1,500,000 to be the reimbursable amount of the cost of constructing the irrigation facilities for the project of 20,000 irrigable acres and establishes a 60-year repayment period. This is an increase of \$500,000 above the reimbursable amount established when the Eden project was originally authorized by the President in 1940. The increase in the amount to be reimbursed by the water users and the extension of the repayment period to 60 years would be consistent with the action of the Eightieth Congress, first session, in authorizing the completion of the Mancos project and increasing the reimbursable amount from \$600,000 up to \$900,000, and extending the repayment period from 40 to 60 years (61 Stat. 176). In addition, the bill would provide the ultimate recovery of the construction cost not repayable by the water users through net revenues from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin when such power plants are constructed.

The bill would also authorize the Secretary of Agriculture to complete the land-development and settlement features of the project at a reimbursable cost of not less than \$373,000. This is \$173,000 more



than the amount required to be reimbursed under the original plan and thus a part of the increased cost for land development and settlement will be recovered.

The project is located in Sweetwater County, Wyo., the largest coal-mining county in the State. Most of the food is imported into the county. There is, therefore, a local market for all of the agricultural commodities produced on the lands already settled and in private ownership, and also that which may be produced upon the additional lands to be irrigated under this project.

The private owners on the project, with whom extensive negotiations were carried on prior to the war, had every reason to believe that the project would be completed, and the committee was of the opinion that it should be completed.

Pertinent comments from the favorable reports of the Departments of Interior and Agriculture, addressed to the Senate Committee on Interior and Insular Affairs, are set forth below.

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#### INTERIOR DEPARTMENT REPORT OF FEBRUARY 21, 1949

We recommend enactment of the proposed legislation.

The Eden project was approved by the President on September 18, 1940, as a Great Plains project under the water-conservation provision of the Interior Department Appropriation Act of 1940 (53 Stat. 685) which provided funds for the construction of "water conservation and utilization projects \* \* \* in the Great Plains and arid and semiarid areas of the United States \* \* \*."

As authorized by the President, the project consisted of the construction of irrigation facilities to serve (1) approximately 9,000 acres of privately owned land at present irrigated but in need of drainage and improved storage and water-supply facilities, (2) approximately 1,000 acres in private ownership that is irrigable but not at present irrigated, and (3) approximately 10,000 acres of public land formerly patented to the State of Wyoming for irrigation development and subsequently reconveyed to the United States and placed under the jurisdiction of the Secretary of Agriculture for irrigation development and settlement.

The project plan includes the construction of Big Sandy Dam, with a storage capacity of 35,000 acre-feet; enlargement of the 20-mile-long main Eden canal to provide capacity to serve the 10,000 acres of public land; rehabilitation and extension of the existing lateral system; construction of a drainage system; construction of necessary ditches to recover drainage and return flow water; and, finally, authorization for the Secretary of Agriculture to conduct a land-development program, to determine the appropriate size of farm unit, and to arrange for settlement.

The Bureau of Reclamation started construction of the Big Sandy Dam, the main feature of the project, in July 1941. Construction was terminated by order of the War Production Board in December 1942. When construction terminated, the Big Sandy Dam was approximately 16 percent complete. No work had been started on the other irrigation facilities required.

If the bill, S. 55, is enacted into law, it will permit the Bureau of Reclamation to complete the construction of the irrigation facilities as originally planned or with such modification of physical features as this Department may find will result in greater engineering and economic feasibility. The present estimated total cost of construction of the irrigation facilities of the project as originally approved is estimated at approximately \$4,667,000. This Department has recently re-examined the water-supply situation and the practicability of rehabilitating and enlarging existing storage and supply works. On the basis of preliminary estimates, which indicate that such improvements for a project to serve 17,500 acres could be provided at a construction cost of \$3,135,000, it appears that it would be more economical to develop the project by utilizing existing facilities to the maximum extent.

The bill would establish \$1,500,000 as the reimbursable portion of the cost of construction of the irrigation facilities of the Eden project. This sum would be recovered over a repayment period of not to exceed 60 years. The finding of feasibility, the basis upon which the President approved the project originally on



September 18, 1940, indicates that the Eden project water users could repay \$1,045,000 in 40 years. More recent investigation of the payment capacity of present and prospective water users tends to confirm the conclusion reached on this point in the original finding of feasibility. Therefore, if a 60-year repayment period is provided, it would be reasonable to require the water users to return a total of \$1,500,000 toward the cost of constructing the irrigation features with proportional adjustment (as is provided for in the bill) based on the actual irrigable area as determined upon completion of the project.

#### AGRICULTURE DEPARTMENT REPORT OF FEBRUARY 28, 1949

DEAR SENATOR O'MAHONEY: This is in reply to your request of January 26 for a report on S. 55, a bill to authorize completion of construction and development of the Eden project, Wyoming. S. 55, in sections 1 and 2, deals separately with authorities granted the Secretaries of Interior and Agriculture for completing the Eden project. This report will be confined to section 2, which relates to this Department. Section 2 authorizes the Secretary of Agriculture to complete the land-development and settlement features of the Eden irrigation project in accordance with the general plan approved by the President on September 18, 1940; and in determining the amount to be repaid by project occupants, to exclude expenditures for such land-development and settlement features to the extent necessary to keep reimbursable costs within the water users' ability to repay.

The water conservation and utilization legislation under which construction of this project was originally authorized and initiated (act of May 10, 1939, 53 Stat. 685, 719), contemplated participation by the Work Projects Administration or Civilian Conservation Corps to meet that portion of project costs which was considered beyond the repayment ability of project settlers. Prosecution of the recent war forced the discontinuance of construction of the major irrigation features of the project in December 1942, and limited the work of this Department to those activities which would make an immediate contribution to the production of needed food supplies. The Department of Agriculture has under its control all of the new lands proposed for irrigation in this project, but completion of its part of the project as originally approved is impossible due to lack of authorization to treat as nonreimbursable those costs which are above the ability of the project occupants to repay. S. 55 authorizes expenditure of funds necessary to complete the project and the declaring as nonreimbursable that portion of such expenditures which exceed the water users' ability to repay.

The provision of S. 55 which leaves the determination of reimbursability of land development and settlement expenditures to the Secretary of Agriculture appears desirable in view of the uncertainty as to the total acreage which will be brought under irrigation. This provision also makes it possible to consider significant changes in agricultural prices and related conditions in projecting an estimate of agricultural income during the life of repayment contracts, and in the establishment of the sale price of farm units.

S. 55 would place responsibility for recovery of the reimbursable construction costs of the irrigation features of the project, and the maintenance thereof, in the Secretary of the Interior although this responsibility was originally assigned to the Secretary of Agriculture. The provision in the bill is in keeping with a general agreement between the Departments of Agriculture and Interior with respect to other projects, and is considered advisable in this instance.

The preparation of the new lands for irrigation, their subdivision into economic farm units, and the settlement thereon of qualified farm families is dependent upon completion of construction of the major irrigation features of the project provided for in section 1 of the bill.

It is suggested that the first word in line 2 on page 3 of the bill be changed to read "within."

The \$425,000 development and settlement program originally authorized by the President in 1940 involved an allocation of \$200,000 from funds made available to the President for water conservation and utilization projects, and an anticipated participation by the Work Projects Administration or Civilian Conservation Corps, with an estimated value of \$225,000. Because of the war emergency the actual contribution of these latter agencies was limited to an estimated \$5,061, and \$45,405 of the \$200,000 allocation was rescinded and transferred for use on another project where a greater increase in food production was possible. It is now estimated that completion of the project will require an expenditure of approximately \$1,375,000 in addition to the \$154,595 already obligated or remaining available for obligation. The net cost, however, is estimated to be \$125,000

less than the total amount indicated by virtue of the estimated salvage value of heavy equipment and temporary housing facilities which would be available for sale upon completion of the project. The increased amount is required to cover (a) on the basis of present prices, the work which originally was to have been done by the Works Projects Administration or Civilian Conservation Corps; (b) on the basis of present prices, the work which was to have been accomplished with the funds transferred; (c) to meet the general increase in cost of labor, materials, and supplies which has taken place since 1940; and (d) to comply with the large number of urgent requests for leveling of private land not contemplated in the original estimate but which will make more effective use of the available water supply.

This Department recommends that the bill be passed.

The Committee on Public Lands unanimously recommends the prompt enactment of S. 55.









# Union Calendar No. 267

81ST CONGRESS  
1ST SESSION

## S. 55

[Report No. 691]

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### IN THE HOUSE OF REPRESENTATIVES

MAY 9, 1949

Referred to the Committee on Public Lands

MAY 27, 1949

Committed to the Committee of the Whole House on the State of the Union  
and ordered to be printed

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## AN ACT

To authorize completion of construction and development of the  
Eden project, Wyoming.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the Secretary of the Interior is authorized to complete  
4       the construction, including any necessary preconstruction  
5       surveys and investigations, of the irrigation features of the  
6       Eden project, Wyoming, as approved by the President on  
7       September 18, 1940 (Senate Document Numbered 18,  
8       Seventy-seventh Congress, first session (1941), page 29),  
9       with such modification in physical features as the Secretary  
10      of the Interior may find will result in greater engineering  
11      and economic feasibility: *Provided*, That of the construction

1 costs of the irrigation features of the project not less than  
2 \$1,500,000 for the project of twenty thousand irrigable  
3 acres, or a proportionate part thereof based on the actual  
4 irrigable area as determined and announced by the Secre-  
5 tary of the Interior upon completion of the project, shall be  
6 reimbursable by the water users in not to exceed sixty years,  
7 and provision for the recovery thereof and for payment of  
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10 factory to the Secretary of the Interior: *Provided further,*  
11 That construction costs of the irrigation features of the proj-  
12 ect which are not hereby made reimbursable by the water  
13 users shall be set aside in a special account against which net  
14 revenues derived from the sale of power generated at the  
15 hydroelectric plants of the Colorado River storage project  
16 in the Upper Basin shall be charged when such plants are  
17 constructed.

18 SEC. 2. That the Secretary of Agriculture is authorized  
19 to complete the land development and settlement features of  
20 the project in accordance with the general plan approved by  
21 the President on September 18, 1940, including the ac-  
22 quisition of such lands, or interests in lands, as may be  
23 necessary, and the extension of technical advice and assist-  
24 ance to settlers in matters of farm practice, soil conser-  
25 vation, and efficient land use: *Provided, however,* That

1 the total reimbursable cost of the land development and  
2 settlement features of the project shall be not less than  
3 \$373,000 for the project of twenty thousand irrigable acres  
4 with proportionate adjustment, if necessary, based on the  
5 actual irrigable area as determined upon completion of the  
6 project.

7 SEC. 3. To carry out the purposes of this Act, the  
8 Secretary of the Interior and the Secretary of Agriculture  
9 are hereby authorized to allot any moneys available from  
10 appropriations heretofore made to the Department of the  
11 Interior and the Department of Agriculture, respectively,  
12 for "water conservation and utility projects" and "water  
13 conservation and utilization projects", and there is hereby  
14 authorized to be appropriated, out of any money in the  
15 Treasury not otherwise appropriated, to the Department  
16 of the Interior and the Department of Agriculture, re-  
17 spectively, such sums of money as may be necessary to  
18 complete the project.

Passed the Senate May 6 (legislative day, April 11),  
1949.

Attest:

LESLIE L. BIFFLE,

*Secretary.*

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> Session

**S. 55**

[Report No. 691]

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## **AN ACT**

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To authorize completion of construction and development of the Eden project, Wyoming.

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MAY 9, 1949

Referred to the Committee on Public Lands

MAY 27, 1949

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed







way into Fort Meade. It was during the war. The war ended. The work has been stopped. \$2,000,000 of the Government's money has been spent on this highway into Fort Meade. There was an agreement made at that time that the State of Maryland would bring this highway from Baltimore City into Fort Meade, to bring these two parkways together. The State of Maryland in 1951 will have completed its end of the highway into Fort Meade. Those two highways were separate, because one was an emergency and the other was a future plan. We are now introducing a clean bill on the Washington-Baltimore Highway so that some disposition can be made to finish the highway running into Fort Meade. How it will be financed will be taken up at another time, but that has nothing to do with this bill at all.

Mr. RICH. I would like to have the gentleman from Maryland understand this, that I am in sympathy with the construction of a highway between here and Fort Meade to get around Baltimore, because we need it.

Mr. FALLON. It is now the most inadequate highway in the eastern part of the United States.

Mr. RICH. When you build that highway, just remember this, that the State of Maryland should have a big share in the construction of it.

Mr. WHITTINGTON. Mr. Speaker, I yield myself a half a minute to answer the question further.

As the gentleman from Maryland has indicated, this grading and acquiring of a right-of-way at an expense of \$300,000 was out of a fund which was appropriated not as a war fund, but out of a fund which was the remainder of the old National Industrial Recovery Act funds. It is the opinion of the committee that when this road is built the State of Maryland should participate in it. At the present time in the pending bill no provision is made for the further building of the Baltimore-Washington parkway.

I extend to say that while the Washington-Baltimore parkway to Fort Meade was begun during the war, it was not begun with war funds. The President of the United States allocated \$2,000,000 to the Federal Works Agency as the balance remaining of the appropriation in the National Industrial Recovery Act for the purpose of initiating the Washington-Baltimore parkway to Fort Meade. About \$300,000 were expended for rights-of-way, and the remaining \$200,000 was expended in grading a distance of about 3 miles from the District line toward Fort Meade and about 3 miles from Fort Meade toward Washington. A right-of-way from three to seven hundred feet has been acquired but the title is in the Government. There is still some work to be done with respect to the title in the vicinity of Greenbelt.

There is no connection between the Washington-Baltimore parkway and the Suitland parkway. They are completely separated from one another, but the Suitland parkway involves surplus war

property and is really an emergency. There is no occasion for any additional expenditures on the Suitland highway immediately. One or two crossings should be constructed and at a later date the west-bound lane should be constructed. The value of a 24-foot east-bound lane is quite apparent when we realize that the Mount Vernon highway is generally only 40 feet wide. Pending a report on regional highways and the Federal contribution therefor, the committee deemed it wise to eliminate the consideration of the Washington-Baltimore highway from the pending bill. The committee, therefore, amended the bill so as to eliminate the Washington-Baltimore parkway and to leave that parkway for future determination and legislation. The rights-of-way are in the Government. The grading should be preserved and the 6 miles can be preserved pending determination.

As introduced, the bill contemplated the Federal Government's paying the entire cost of the parkway to Fort Meade. The probability is that in regional highways the Public Roads Administration will recommend a larger Federal contribution than the 50 percent that now obtains in Federal aid highways. Moreover, it will be 2 or 3 years before a four-lane highway is completed, even with partial Federal aid, between Fort Meade and Baltimore. The committee feels that there is a need for an additional highway between Washington and Baltimore. The committee also feels that the real bottleneck to interstate travel is in the city of Baltimore, and that another highway without eliminating the bottleneck that now obtains in the city of Baltimore will not completely solve the problem. As amended the bill makes adequate provision for taking over the Suitland parkway, but makes no provision for the further construction at present of the Washington-Baltimore parkway.

Mr. Speaker, I reserve the balance of my time.

Mr. DONDERO. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the distinguished chairman of our committee has given a clear and complete statement regarding the object of this bill. I can add nothing to it. Therefore I yield back the balance of my time.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

House Resolution 247 was laid on the table.

#### EDEN PROJECT, WYOMING

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. RICH. Mr. Speaker, reserving the right to object, may we know what this bill does?

Mr. PETERSON. Mr. Speaker, this authorizes the completion of the construction and development of the Eden project in Wyoming. It was started in 1941. About 16 percent of the project was completed at that time. Then in 1942, on account of the scarcity of materials and because of the necessity for producing materials of war, the construction was stopped. This bill is for the purpose of revamping the project and authorizing the completion of it. It was reported out unanimously by the committee. The committee took testimony and went into the problem, and feels this is the best way to authorize the completion of the project and salvage what has been done. This will take care of considerable private land. There are reimbursables which will come back to the Government. In addition to that, there are approximately 10,000 acres of public land which will be reclaimed.

Mr. RICH. It was held up during the war?

Mr. PETERSON. During the war it was held up on account of the scarcity of material.

Mr. RICH. Now it is expected to start on this project again. Do you feel that the money being expended is going to be returnable on the basis of rentals that you are receiving?

Mr. PETERSON. Yes; the great portion of it will come back. This will salvage it. The gentleman from Wyoming [Mr. BARRETT] is familiar with it. We feel it is a very deserving measure. Unfortunately, the project had to be stopped of course on account of the war. This will salvage what has already been done, and permit the completion of work which we feel, duty bound, should be done.

Mr. RICH. How long will it take to complete the project?

Mr. PETERSON. That depends. Of course, it is being done piecemeal.

Mr. RICH. Has money already been appropriated for the project?

Mr. BARRETT of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. BARRETT of Wyoming. May I say to the gentleman from Pennsylvania that an appropriation was made for several of these Great Plains projects and as the gentleman from Florida has stated construction was started on this project before the war and the Eden project is about 16 percent completed at the present time. I may say further that I understand that \$1,493,296 heretofore appropriated is still available and may be used on the project. Under the provisions of the Great Plains Project Act it was intended to use WPA and CCC labor as a contribution toward construction costs, and this bill is necessary to reauthorize the project because that type of assistance is no longer available. This bill will permit the completion of the project that was originally proposed to be constructed under the Plains Project Act and later held up during the war by order of the War Production Board.



Mr. PETERSON. It is being worked out piecemeal.

Mr. RICH. What will be required in additional money now to complete the project?

Mr. PETERSON. The total cost over a long period of time will only run to about \$6,100,000. The reimbursables only increase it a very small amount.

Mr. BARRETT of Wyoming. I may say that under the present act the cost of the reclamation features amount to \$3,135,000 and the cost of the agricultural features will total \$1,375,000 as I understand the situation. I trust the gentleman from Pennsylvania will not object to this bill. The cost has been reduced under the new estimates.

Mr. PETERSON. That is right.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Interior is authorized to complete the construction, including any necessary preconstruction surveys and investigations, of the irrigation features of the Eden project, Wyoming, as approved by the President on September 18, 1940 (S. Doc. No. 18, 77th Cong., 1st sess. (1941), p. 29), with such modification in physical features as the Secretary of the Interior may find will result in greater engineering and economic feasibility: *Provided*, That of the construction costs of the irrigation features of the project not less than \$1,500,000 for the project of 20,000 irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users in not to exceed 60 years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin shall be charged when such plants are constructed.

Sec. 2. That the Secretary of Agriculture is authorized to complete the land development and settlement features of the project in accordance with the general plan approved by the President on September 18, 1940, including the acquisition of such lands, or interests in lands, as may be necessary, and the extension of technical advice and assistance to settlers in matters of farm practice, soil conservation, and efficient land use: *Provided, however*, That the total reimbursable cost of the land development and settlement features of the project shall be not less than \$373,000 for the project of 20,000 irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

Sec. 3. To carry out the purposes of this act, the Secretary of the Interior and the Secretary of Agriculture are hereby authorized to allot any moneys available from appropriations heretofore made to the Department of the Interior and the Department of Agriculture, respectively, for "water conservation and utility projects" and "water conservation and utilization projects," and there is hereby authorized to be appropriated, out

of any money in the Treasury not otherwise appropriated, to the Department of the Interior and the Department of Agriculture, respectively, such sums of money as may be necessary to complete the project.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### NATIONAL SURVEY OF FOREST RESOURCES

Mr. SIKES. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2001) to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources.

The Clerk read as follows:

*Be it enacted, etc.,* That to enable the Secretary of Agriculture to complete and keep current for the United States the forest survey authorized and directed by section 9 of the act of May 22, 1928, as amended, (45 Stat. 699, 702; 58 Stat. 265; 16 U. S. C. 581h), said section is hereby amended to read as follows:

"That the Secretary of Agriculture is hereby authorized and directed, under such plans as he may determine to be fair and equitable, to cooperate with appropriate officials of each State of the United States, and either through them or directly with private and other agencies, in making and keeping current a comprehensive survey of the present and prospective requirements for timber and other forest products in the United States, and of timber supplies, including a determination of the present and potential productivity of forest land therein, and of such other facts as may be necessary in the determination of ways and means to balance the timber budget of the United States. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed \$1,000,000 annually to complete the initial survey authorized by this section: *Provided*, That the total appropriation of Federal funds under this section to complete the initial survey shall not exceed \$11,000,000. There is additionally authorized to be appropriated not to exceed \$1,500,000 annually to keep the survey current."

The SPEAKER. Is a second demanded?

Mr. RICH. Mr. Speaker, I demand a second.

Mr. SIKES. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. RICH. Mr. Speaker, will the gentleman explain what this bill does?

Mr. SIKES. Mr. Speaker, this bill proposes to complete a forest survey which was undertaken about 20 years ago. There are in the Nation about 625,000,000 acres of forest land and about 225,000,000 acres of that have never been fully surveyed. We know that our once vast forest resources are being very rapidly depleted and we may within a relatively few years reach a dangerous situation wherein there is an actual shortage of timber for lumber and the great woodworking industry. I may point out to my friend this is going to cost more money than was first thought necessary. This bill increases the authorization from \$6,500,000 to \$11,000,000. That increased cost is due to two things.

First, a much more thorough job is now being done than was first undertaken. Next, it costs more to do everything now than it did 20 years ago.

Mr. RICH. Do you mean to tell me that during the last 15 years, when we have spent millions and hundreds of millions of dollars building roads and trails through our national forests and spending millions upon millions of dollars on our national forests, that we do not know now what we really have?

Mr. SIKES. Two hundred and twenty-five million acres of our forest lands have never been surveyed so that we could give an accurate statement about the timber resources carried, kind of timber and how much timber is on it. We have estimates, but no positive information about the kind and amount of timber on that land. In addition surveys are needed on much of the land previously surveyed.

Mr. RICH. How does it happen that the Department of Forestry in the Department of Agriculture does not know what we now have after having spent these hundreds of millions of dollars? It seems to me that something is wrong in Denmark.

Mr. SIKES. The money to which the gentleman refers was not spent on surveying these lands nor was it intended to be. The Forest Service has many duties to perform and for these we have appropriated money. We now propose to complete the survey and thereby to give the Nation a detailed report of the forestry resources of the United States.

Mr. RICH. I realize you ought to know what you have, but it seems to me we have been very dilatory in the past 10 or 15 years in what we have been doing. With all the legislation that I have seen go over this floor, you do not know now what you have got.

Mr. SIKES. We are trying to remedy that situation right now by the passage of a bill to tell us what forest resources we have.

Mr. RICH. It is about time you corrected a lot of things around here, and if you do not correct them you will not have any country pretty soon, because this thing is about all that it can stand. We have just about reached the limit.

Mr. SIKES. May I yield to my friend, the gentleman from Ohio [Mr. McSweeney]? He pioneered this work in earlier Congresses.

Mr. McSWEENEY. Mr. Speaker, during the last war, when there was a demand for 30,000 truck bodies, if it had not been for a survey of the lumber that we had made under the original bill, which this bill augments, the Government would not have known where to go to get that vast amount of lumber.

Mr. RICH. The thing that bothers me is this: You have got your forest rangers in every section of the United States. You have employed men by the thousands for the last 15 years. Do you mean to tell me that those forest rangers and game wardens and such men do not know where we have the forests and the trees that we are able to cut? You certainly could not have had men who had at least any sign of intelligence if they did not know that much. After all the money we have spent in the Forestry Depart-







[PUBLIC LAW 132—81ST CONGRESS]

[CHAPTER 255—1ST SESSION]

[S. 55]

AN ACT

To authorize completion of construction and development of the Eden project, Wyoming.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to complete the construction, including any necessary preconstruction surveys and investigations, of the irrigation features of the Eden project, Wyoming, as approved by the President on September 18, 1940 (Senate Document Numbered 18, Seventy-seventh Congress, first session (1941), page 29), with such modification in physical features as the Secretary of the Interior may find will result in greater engineering and economic feasibility: *Provided*, That of the construction costs of the irrigation features of the project not less than \$1,500,000 for the project of twenty thousand irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users in not to exceed sixty years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the Upper Basin shall be charged when such plants are constructed.

SEC. 2. That the Secretary of Agriculture is authorized to complete the land development and settlement features of the project in accordance with the general plan approved by the President on September 18, 1940, including the acquisition of such lands, or interests in lands, as may be necessary, and the extension of technical advice and assistance to settlers in matters of farm practice, soil conservation, and efficient land use: *Provided, however*, That the total reimbursable cost of the land development and settlement features of the project shall be not less than \$373,000 for the project of twenty thousand irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

SEC. 3. To carry out the purposes of this Act, the Secretary of the Interior and the Secretary of Agriculture are hereby authorized to allot any moneys available from appropriations heretofore made to the Department of the Interior and the Department of Agriculture, respectively, for "water conservation and utility projects" and "water con-

servation and utilization projects", and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Department of the Interior and the Department of Agriculture, respectively, such sums of money as may be necessary to complete the project.

Approved June 28, 1949.





